

1

STATE OF FLORIDA

2

DEPARTMENT OF REVENUE

3

PUBLIC WORKSHOP

4

5

6

Proposed Rule 12D-8.0082, F.A.C.

7

Florida Market Area Guidelines

8

9

10

11

12

13

14

ROOM D & E, BUILDING C1

15

5050 WEST TENNESSEE STREET

16

TALLAHASSEE, FLORIDA

17

June 24, 2003

18

9:40 a.m.

19

20

21

22

23

Reported by:

24

MARLO D. FARNSWORTH

25

Certified Shorthand Reporter

1 DEPARTMENT DESIGNEES:
2
3 STEPHEN J. KELLER, ESQ.
4 AL MOBLEY
5 SHARON GALLOPS
6 CLAUDIA KEMP, ESQ.
7 DAVID BEGGS
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1 P R O C E E D I N G S

2 MR. MOBLEY: Good morning, everyone. We're going
3 to go ahead and get started. Does anyone know of
4 anyone else that's coming before we get started that is
5 not here yet, or -- we could give it another
6 five minutes. Okay.

7 (Brief recess.)

8 MR. MOBLEY: Good morning. Today is Tuesday, June
9 24, 2003, and I would like to welcome everyone to
10 today's public workshop on the initial draft on the
11 Florida Uniform Market Area Guidelines dated June 9,
12 2003. My name is Al Mobley, Revenue Program
13 Administrator with the Department of Revenue, and
14 sitting to my right is Mr. Steve Keller, Chief Attorney
15 for the Department's Property Tax Administration
16 Program. Mr. Keller and I will be the co-moderators
17 for today's public workshop.

18 At this time, I would ask the other members of the
19 Department of Revenue in attendance to introduce
20 themselves. Beginning with Sharon, please state your
21 name and your position with the Department.

22 MS. GALLOPS: Sharon Gallops, Tax Law Specialist.

23 MS. KEMP: Claudia Kemp, attorney, Department of
24 Revenue.

25 MR. BEGGS: David Beggs, TPA Program Director.

1 MR. KELLER: Today's public workshop was noticed
2 in the June 6, 2003, Florida Administrative Weekly.
3 This is a public workshop notice consistent with
4 §120.54(2), Florida Statutes, held for the purpose of
5 receiving comments from interested parties regarding
6 potential improvements to the initial draft of the
7 Florida Uniform Market Area Guidelines dated June 9,
8 2003. Another public workshop on this initial draft
9 will be held on June 26th, that's this Thursday of this
10 week, in Orlando, Florida. These public workshops are
11 being held on different dates and in different
12 locations in order to maximize opportunities for input
13 from Florida stakeholders.

14 Copies of this draft document and the notice for
15 today's workshop were mailed to all persons on the
16 Department's interested parties list, including all 67
17 Florida property appraisers. Also, this draft document
18 and the workshop notice were posted to the Department's
19 guidelines Web page -- Web site.

20 Please remember that all comments made here today
21 and along with any written comments submitted will
22 become part of the public record.

23 MR. MOBLEY: The format for this workshop is
24 informal, and the following procedure will be used for
25 receiving your verbal comments today.

1 The current draft is comprised of six numbered
2 sections, each composed of numbered subsections. One
3 of us will read the title of each section of the
4 current draft and will state the beginning and ending
5 page numbers for that section. Then any public
6 comments on the content of that section are welcome.

7 Once again, we're here today to receive public
8 comment on the initial draft, and therefore DOR staff
9 will keep their discussion to a minimum to allow
10 maximum opportunities for input from the interested
11 parties in attendance today.

12 Each time you step up to make comments, please
13 begin by clearly stating your name and the organization
14 or office you represent. In that regard, if you have
15 not already signed the sign-in sheet provided at the
16 back of the room, please do so now.

17 Does everyone here have a copy of the initial
18 draft of the Florida Uniform Market Area Guidelines
19 dated June 9, 2003? If anyone does not have a copy,
20 these are available at the back of the room.

21 Are there any questions regarding the procedure
22 we're going to use today? At this time, does anyone
23 wish to submit written comments on the June 9, 2003,
24 draft of the Florida Uniform Market Area Guidelines?

25 MS. OUTLAND: Al, I've already submitted comments,

1 written comments, but I was just going to verbalize
2 them today.

3 MR. MOBLEY: Okay, great.

4 MR. KELLER: For the record, we have received a
5 letter from the St. Johns County Property Appraiser
6 dated June 19, 2003, which will be made part of this
7 record here today.

8 MR. MOBLEY: You're next.

9 MR. KELLER: Just briefly to describe how we got
10 where we are today with the draft guidelines, in 1993,
11 a provision was implemented in §193.114 of the Florida
12 statutes that requires property appraisers to place a
13 market area code on each real property parcel on
14 assessment rolls beginning in 1996. This statute also
15 requires that these market area codes be established
16 according to Department of Revenue guidelines.

17 The 2000 Auditor General's report recommended that
18 the Department promulgate Uniform Market Area
19 Guidelines as required by this statute. The Department
20 began the public process of developing Uniform Market
21 Area Guidelines in January of 2001. This process for
22 promulgation of the Florida Real Property Appraisal
23 Guidelines, as well as the Florida Uniform Market Area
24 Guidelines, has been designed to meet the provisions of
25 §195.062, 193.114 and 120.54, Florida Statutes.

1 For the purpose of receiving comments and input
2 from all interested parties, the Department of Revenue
3 has previously held four public workshops on the
4 subject of market area guidelines on the following
5 dates: January 4, 2001, in Orlando; April 3rd of 2001
6 in Tallahassee; June 26th of 2002 in Tallahassee; and
7 July 9th of 2002 in Orlando. The transcripts from
8 these four public workshops have been posted to the
9 Department's guidelines Web page, and the input
10 received from these previous public workshops was
11 reviewed and considered in the development of the
12 initial draft of the Florida Uniform Market Area
13 Guidelines that are the subject of today's public
14 workshop.

15 MR. MOBLEY: The initial draft of the Florida
16 Uniform Market Area Guidelines, dated June 9, 2003, is
17 based on the following: number 1, Florida law, manual
18 of instructions and regulatory requirements; number 2,
19 public input from Florida property appraisers and their
20 representatives; number 3, public input from Florida
21 taxpayers and their representatives; number 4,
22 information from certain publications of professional
23 organizations; and number 5, the expertise, research
24 and analysis provided by Department of Revenue staff.

25 MR. KELLER: I'd like to draw everybody's

1 attention to the page representing the guidelines Web
2 page, which is a single sheet of paper available at the
3 back of the room. Does everybody here have a copy of
4 this sheet from the Department's guidelines Web page?
5 I'd just like to direct your attention to this page,
6 and this page can be found at the Internet address
7 listed at the top of this sheet.

8 As you can see, the following items from the --
9 regarding Uniform Market Area Guidelines are available.
10 There is an overview of the draft market area
11 guidelines development, there are some transcripts from
12 prior market area workshops, all the transcripts are
13 posted there, there's notice of the public workshops on
14 June 24th and June 26th, 2003, and there is an initial
15 draft of the Florida Market Area Guidelines dated
16 June 9th of 2003. There's an address to send your
17 written comments to there available, and there's also
18 an e-mail link there that you can utilize to e-mail
19 your comments to that link on the Web page.

20 No confirmation e-mails will be sent, and
21 remember, all written and e-mail comments received
22 become part of the public record. Copies of comments
23 will be available on request, and we'd like to request
24 that you please submit all comments by no later than
25 the close of business on July 3, 2003, in order to be

1 utilized in the drafting process. Comments can be
2 faxed to the following numbers: 850-922-9252 or
3 850-921-2983. The Department's guidelines Web site
4 will be updated periodically as the guideline
5 development process moves forward.

6 MR. MOBLEY: Before we begin taking public
7 comments on the initial draft, we would like to share
8 with everyone some important background information on
9 the need for the Florida Uniform Market Area
10 Guidelines. This background information is in addition
11 to the specific statutory requirement described here a
12 few minutes ago.

13 Does everyone have a copy of the four-page handout
14 that looks like this? There's a heading and then a
15 couple paragraphs, and there's three pages with some
16 numbers attached. Does everyone have that? If anyone
17 does not have a copy, these are available at the back
18 of the room.

19 MR. KELLER: Okay. I'd like to go over the first
20 page of the handout there that you see, two excerpts
21 from Chapter 195 of the Florida statutes entitled The
22 Property Assessment Administration and Finance Law.
23 The first section is 195.0012, entitled Legislative
24 intent, and it says, "It is declared to be the
25 legislative purpose and intent in this entire chapter

1 to recognize and fulfill the State's responsibility to
2 secure a just valuation for ad valorem tax purposes of
3 all property and to provide for a uniform assessment as
4 between property within each county and property in
5 every other county or taxing district," emphasis added
6 on the word uniform.

7 The second statute is 195.027, entitled Rules and
8 Regulations. Paren (1) of that statute reads, "The
9 Department of Revenue shall prescribe reasonable rules
10 and regulations for the assessing and collecting of
11 taxes, and such rules and regulations shall be followed
12 by the property appraisers, tax collectors, clerks of
13 the circuit court and value adjustment boards. It is
14 hereby declared to be the legislative intent that the
15 Department shall formulate such rules and regulations
16 that property will be assessed, taxes will be collected
17 and administration will be uniform, just, and otherwise
18 in compliance with the requirements of the general law
19 and the Constitution," again, the emphasis is on the
20 word uniform.

21 MR. MOBLEY: Now I'd like to ask everyone to turn
22 to the second page of this four-page handout. There's
23 three pages here with some numbers. I'm going to go
24 through and give a brief description of these, and then
25 if there's any comments on that, those are certainly

1 welcome.

2 The first of these tables is up at the top. It's
3 titled Sorted by Parcel Counts, and each of the rows in
4 this table represents one of the Florida counties, and
5 all Florida counties are represented in this table.
6 The data in this table is sorted by the number of
7 Stratum 1 parcels. For those of you who may not be
8 familiar with our statutory strata, Stratum 1 property
9 is basically a single dwelling residential property,
10 single-family homes, condos, mobile homes. The
11 counties are identified here not by name, but simply by
12 their parcel counts as reported on the 2002, I believe
13 it was the final roll that these data were taken from.
14 And that's the first column on the left.

15 The second column is a calculation, and that
16 column is titled Relative Percent Change, and this
17 gives us some -- a view of how the counties change,
18 percentage-wise, in terms of number of parcels as you
19 move down the list. And this sort of gives us a little
20 snapshot of the variation in parcel counts that we
21 have. We've got some, you know, very small, rural type
22 counties, and then we have some extremely large urban
23 counties as well.

24 The third column is titled Stratum 1 Sale Counts.
25 These are sale data reported to the Department of

1 Revenue and then analyzed by the Department's programs.
2 And these are actual data, columns 1 and 3 are actual
3 data as reported and analyzed by the Department.

4 The fourth column is titled Stratum 1 Market Area
5 Counts, and these are the actual number of market areas
6 on assessment rolls that are reflected as containing
7 Stratum 1 parcels.

8 The next column is titled Low Parcel Counts Per
9 Market Area, and this reflects the number of parcels
10 within each county in the market area that has the
11 fewest number of parcels.

12 And the next column is High Counts Per Market
13 Area, and this reflects the market area in each county
14 with the greatest number of Stratum 1 parcels. So
15 looking at these down the list gives us some idea of,
16 you know, the variation in parcel counts per market
17 area.

18 And the last column is a calculation, and that's
19 the average -- the mean average number of parcels per
20 market area, and that is calculated by dividing column
21 1, which is Stratum 1 Parcel Counts, by column 4, which
22 is Stratum 1 Market Areas, as reported by property
23 appraisers on the assessment rolls.

24 So given the fact that these data are all sorted
25 in ascending order by parcel count, and as we look down

1 the list of market areas, we can see that there's quite
2 a bit of variation that currently exists in the
3 application of market areas through the state. We
4 would generally expect, you know, larger counties would
5 probably consistently have more market areas because
6 there's, you know, a lot more parcels involved.

7 We can also look at the -- looking down at the low
8 and high count parcel counts per market area columns
9 and see quite a bit of variation even within counties.
10 For example, a number of counties have a less than a
11 hundred, quite a few have less than a thousand, all the
12 way up into quite a few thousand. In a couple of
13 extreme cases, there are single market areas in very
14 large counties with over 270,000 parcels. Looking at
15 the mean parcel counts per market area, you can also
16 see quite a bit of variation there. That varies from a
17 couple hundred parcels per market area up to over
18 85,000.

19 If you would please turn to the second page -- I'm
20 sorry, it's the third page of the handout. It's the
21 second page with numbers on it. This table is titled,
22 Sorted by Parcel Counts Per Market Area, and the first
23 three columns contain the parcel counts, sale counts
24 and market area counts taken from the assessment rolls,
25 and the fourth column is the average number of parcels

1 per market area. But the difference is, in this table
2 all the data are sorted in ascending order by the
3 parcel counts per market area. This kind of gives us
4 some idea of the variation that we see around the state
5 in parcel counts per market area.

6 The last column is titled Relative Percent Change,
7 and this tells us the percentage change in parcel
8 counts per market area as you move down the list of
9 counties.

10 And once again, these data reveal tremendous
11 amount of variation in the application of market areas
12 around the state. And -- yes, Jordan?

13 MS. STUART: Yes. Have you identified whether the
14 various counties are identifying the same thing as a
15 market area? What are they reporting to you as a
16 market area?

17 MR. MOBLEY: There's tremendous variation. I'll
18 just --

19 MS. STUART: So we're not really talking about,
20 necessarily talking about the same thing when we're
21 talking about the variation?

22 MR. MOBLEY: Well, we're all talking about a
23 market area code, okay? The law says market area code,
24 the rule says market area code.

25 MS. STUART: In order to code something, you have

1 to identify it.

2 MR. MOBLEY: Right, but -- exactly.

3 MS. STUART: So at this point we don't have an
4 identifiable thing called a market area that we can go
5 in the counties?

6 MR. MOBLEY: Exactly, because we don't have market
7 area guidelines.

8 MS. STUART: Right.

9 MR. MOBLEY: And you're hitting on a couple of
10 really of good points there I'll take a moment to
11 expand, because I'm sure it will be a central theme.

12 The variation we're seeing here, there is no
13 uniformity, and uniformity is never going to be perfect
14 because real property markets aren't perfect, and we
15 all know that.

16 MS. STUART: Right, but we all have to be talking
17 about the same thing first.

18 MR. MOBLEY: Right, right, exactly. But even in
19 the professional literature, and I've sort of been
20 exposed to a decent amount of it, there is nothing in
21 the professional literature. There's different
22 definitions, the language is very soft, very general,
23 there is nothing in the professional literature that
24 would lead to any remote form of consensus on what a
25 market area is. That's a debate that can go on for

1 years. We've had four previous workshops, and you can
2 look through those transcripts and see that the debate
3 went on. Nothing came out of those four workshops as
4 far as what a market area is, I mean -- and it has to
5 have some specificity, or the whole exercise is
6 meaningless.

7 So we can see here by the way they've been
8 applied -- I know in some cases, counties, you know,
9 historically have divided up their counties into
10 geographic work areas just strictly as a management
11 tool. Some counties coded their market areas based on
12 their work areas without regard to what --

13 MS. STUART: Market.

14 MR. MOBLEY: -- properties were within the area or
15 what, you know, the boundaries were like or anything of
16 that nature. So you can probably identify some of
17 those counties that have done that.

18 MS. STUART: Have you discovered any counties
19 where there was an attempt to identify market standards
20 within a market area? In other words, the word market
21 seems to mean something to me.

22 MR. MOBLEY: Yes.

23 MS. STUART: It's an economic term.

24 MR. MOBLEY: Yes. Well, and there are -- I have a
25 number of professional associates that I've discussed

1 the matter with at great length, both in the state of
2 Florida and around the country, and --

3 MS. VANN: May we have a sampling of some of those
4 you've discussed?

5 MR. MOBLEY: -- and there is no consensus, okay?
6 You can see the gist of it in the transcripts, and
7 there it is strictly an academic exercise. There is no
8 consensus in the literature.

9 MS. STUART: Okay. Let me, if I can, take a step
10 back. The law now requires that the word market area
11 be defined in such a way that it can be coded and
12 reported, is that a fair statement?

13 MR. MOBLEY: Yes.

14 MS. STUART: So what we have to arrive at is some
15 consensus in order for you to do your job as to what a
16 market area is?

17 MR. MOBLEY: Yes. Well, we have to get market
18 area guidelines done, and we -- that's the Department
19 of Revenue's responsibility, and one of the reasons
20 we've held four public workshops --

21 MS. STUART: Right.

22 MR. MOBLEY: -- prior to the development of this
23 document is to try to get some consensus. And those
24 are out there on the Internet. If anyone can find
25 consensus out of that, I'd love for them to share it.

1 MS. STUART: Irregardless of consensus, can we
2 assume that this mandate should have a purpose, that it
3 should serve some assessment purpose, in other words,
4 it should be useful to the Department of Revenue in its
5 oversight and it should be useful to the property
6 appraisers as a valuation tool? Would that be a fair
7 statement?

8 MR. MOBLEY: There are --

9 MS. STUART: Why do we want market areas?

10 MR. MOBLEY: I think that's addressed in the
11 document which we'll discuss later.

12 MS. STUART: Okay. We can get to it at a later
13 time.

14 MR. MOBLEY: It's addressed in the statutes. It's
15 addressed in the document also as reflected by some
16 excerpts from the professional literature for mass
17 appraisal quality assurance activity, specifically
18 ratio studies. And that's what's provided for in the
19 statute, and that is the --

20 MS. STUART: Well, perhaps I'm being a little
21 premature. Let's go ahead, and when we start to get to
22 definitions of things, maybe we can talk more about
23 this.

24 MS. VANN: I have a question on this chart. You
25 said earlier in your opening statements that you had a

1 lot of staff research and analysis. Would that be
2 available to us, first? Because I'm assuming that
3 somewhere in that research and analysis, it showed
4 where the mean size of a market area in the county
5 meant something, and I would like to see how that came
6 about, that this chart would even be relevant.

7 MR. MOBLEY: Well, we have -- all we have is
8 copies of computer printouts, you know, from the
9 analysis of the 12 D-8s, and then that analysis was
10 done in a spreadsheet here.

11 MS. VANN: Well, this chart is based on a mean
12 market area. I mean, if we use Leon --

13 MR. MOBLEY: No, it just reflects a mean. It's
14 based on the actual data --

15 MS. VANN: In your research and analysis, did you
16 see some significance to the -- to market areas having
17 a like size?

18 MR. MOBLEY: In any analysis of any data in mass
19 appraisal and any appraisal on economic analysis,
20 analyzing data using measures of central tendency and
21 measures of dispersion is a typical part of data
22 analysis to get a feel for what the data shows. And
23 that is -- that's very basic to any type of economic or
24 mass appraisal analysis, as you know from the mass
25 appraisal literature.

1 MS. STUART: Well, assuming a normal curve and
2 assuming that your data is normative, a mean will have
3 some value, but it has to have a use before you use it.
4 I'm not sure that the normative -- the data here is
5 normative in any way.

6 MR. KELLER: Well, could I just add --

7 MS. VANN: I mean, I see no relevance to -- I
8 mean, if we use even Leon County and we say we have a
9 market area out there where Killearn is, and there's
10 like, you know, Killearn, Ox Bottom, that whole area,
11 and we say there's like five or six thousand parcels in
12 that market area, then we come out here off of Route 20
13 and we go where Whispering Pines Trailer Park is, and
14 we say we have 400 parcels in that market area. Those
15 are both -- because I'm not sure I'm understanding your
16 concept of market area, but those are both good sizes
17 for what they reflect individually. The mean means
18 absolutely nothing to either one of those. So I don't
19 understand what this chart means.

20 MR. KELLER: This chart is just merely an
21 illustration of actual data that was reported to the
22 Department of Revenue on the 2002 tax roll.

23 MS. VANN: Okay, let me ask it a different way.
24 Is the Department of Revenue going to put weight on the
25 mean ratios of market areas within a county?

1 MR. KELLER: At this point, unless it's in the
2 draft, I'm not aware that that's an intent at this
3 point; however, we're here to receive input and what
4 your thoughts might be with respect to that.

5 MS. VANN: Okay.

6 MR. MOBLEY: I'm sorry, when you talk, can you
7 please identify your name and who you represent?

8 MS. VANN: Jan Vann, Santa Rosa County.

9 MS. STUART: I was and still am Jordan Stuart. I
10 think you identified me when I raised my hand.

11 MR. MOBLEY: Okay. Yeah, we'll just leave it at
12 that.

13 If we could now look at the last page, the first
14 three columns -- by the way, I'm sorry, this table is
15 titled Sorted by Sale Counts Per Market Area. The
16 first column is titled Stratum 1 Parcel Counts, the
17 second column, Stratum 1 Sale Counts, and the third
18 column, Stratum 1 Market Area Counts.

19 These are the same data that we looked at
20 previously. The difference is that these data are
21 sorted in ascending order by the information in the
22 fourth column, which is titled Sale Counts Per Market
23 Area, and this just gives us a view of the average
24 number of sales within each market area.

25 And generally, from anyone's perspective, I think

1 a market area would have -- to have any use in any part
2 of the process, whether we're talking about quality
3 assurance and ratio studies or using it as a direct
4 valuation tool, there has to be enough data in there
5 for it to be useful; otherwise, it's not a useful
6 exercise. So this column shows us the tremendous
7 variation we currently see.

8 And the fourth column is titled Relative Percent
9 Change. This shows us the percentage change in the
10 sale counts per market area as you move down the list
11 of counties. And once again, we see quite a bit of
12 variation there.

13 The purpose of sharing this information is I think
14 it does demonstrate that there is no consensus out
15 there currently in the counties, and certainly not in
16 the professional literature, as far exactly what a
17 market area is. And in an effort to achieve some
18 degree of uniformity and consistency within and between
19 counties, that's a need for Uniform Market Area
20 Guidelines.

21 Now, there are obviously, when you were talking
22 about averages, I'll address your concept, I think when
23 you do mass appraisal, you're probably -- and you do
24 analysis of different data sets, you're going to
25 calculate a mean, a median, a weighted mean, you're

1 going to calculate different measures of dispersion to
2 get a feel for the data, so you're going to look at
3 that to understand your data, but you're not
4 necessarily going to put the mean value on any one
5 parcel. So that's the only context that the mean is
6 presented here, to provide a basis for looking at the
7 data and giving us an indication of an average for
8 comparative purposes. That's all we have on that
9 information.

10 Now we will begin taking comments on each section
11 of the initial draft of the Florida Uniform Market Area
12 Guidelines.

13 Section 1.0 is titled Introduction, and begins on
14 page 1 and ends on page 4. If anyone has any public
15 comments on this section, please do so at this time.

16 Okay. There being no public comments on
17 Section --

18 MS. STUART: Wait a minute. It's four pages.

19 MS. VANN: I have a general question.

20 MR. MOBLEY: Yes.

21 MS. VANN: In all your research and analysis, can
22 you tell me -- you said you've talked to other taxing
23 authorities in other states and stuff -- where this
24 concept is in use, what kind of success it's had, can
25 we get a list that we can contact some of these people

1 for further discussion?

2 MR. MOBLEY: There was some basic survey
3 information that was done with a questionnaire by the
4 Department a couple years ago, and --

5 MS. VANN: Is that available on that Web site?

6 MR. MOBLEY: No, it's not. I didn't find that
7 very helpful. I -- in terms of the people that I spoke
8 to about it, it's just people I called up over the
9 phone, associates that I've developed, you know,
10 through affiliations with professional organizations,
11 and discussed the concept. And the consensus is, from
12 everybody I talked to and from the -- our prior
13 workshops, is that it's a difficult issue because
14 there's no easy answers. And the reason we're having
15 multiple drafts and different workshops is to get your
16 input on what we have here, you know, how can we make
17 this better, we need your help. But we don't have all
18 the answers at this point.

19 MS. VANN: Where did this Description of
20 Geographic Stratification come from?

21 MR. MOBLEY: You're referring to a specific --

22 MS. VANN: 1.3, page 2.

23 MR. MOBLEY: That is -- that definition was
24 developed by Department staff from review of
25 information from composite sources that -- there's --

1 it wasn't specifically quoted from any individual
2 source.

3 MS. VANN: And that information is available to us
4 to look at?

5 MR. MOBLEY: The definition is right here. That's
6 the information that's available. Do you have any
7 comments on how we can make this definition better?

8 MS. VANN: Having not seen the research that you
9 had to develop that, and that's what I'm asking for, it
10 doesn't seem that we've been given -- all we're getting
11 right here is -- I'm not saying it's wrong, I'm just
12 saying it is your determination and your definition of
13 the research that you had available. We're getting the
14 end product, but nothing that gives us anything to
15 analyze to see if we agree with that end product at
16 this point. We don't know where this came from. I
17 mean, did this come from another state that's using
18 geographic stratification? Do you know of another
19 state that's using geographic stratification market
20 area?

21 MR. MOBLEY: You know, different states, they call
22 geographic units different things. They may call them
23 neighborhoods or economic areas, that sort of thing.

24 MS. STUART: Al, let me be -- this is Jordan
25 Stuart again. Let me be as straightforward as I can.

1 Having read the document in its entirety at this
2 point, and I assume it has not changed since the
3 June 9th submission that I received, my real concern is
4 that what you're doing is creating a subdefinition of
5 what we already have. There are seven strata, and from
6 what I'm looking at here, what you want to do is
7 further divide up those strata geographically based on
8 the sales in the strata. I don't see any evidence of
9 market being involved in the definition, and I think
10 that the initial intent in the Auditor General's report
11 and the intent of the statute requiring that you
12 develop these market -- this market area code is to
13 further define an economic concept that can be used in
14 appraisal, not to further delineate a stratification
15 that already exists.

16 My concern is that there seems to be an assumption
17 that market areas occur within strata, number one.
18 There seems to be an assumption that the number of
19 parcels in the strata is relevant to what is a market
20 area, or how many market areas will occur, rather than
21 looking at the economic data in each county in some
22 stratified manner to determine where are cohesive and
23 definite areas of economic concern that will affect
24 value.

25 Now, I will tell you when I say this that I'm not

1 -- even though I'm an attorney and not an appraiser, I
2 do have some credibility. I am a trained social
3 science statistician through the Ph.D. level, and I'm
4 not naïve about the concepts that we're talking about
5 here. But my concern is -- and it's a difficult one
6 coming into a meeting like this where we're going to go
7 over each paragraph -- my concern is that the entire
8 concept is not in accordance with the mandate the DOR
9 has and that it's not going to be helpful either to DOR
10 in its oversight or to the property appraisers.

11 My clients are looking for a way that DOR can come
12 together with each of them as they do their oversight
13 and identify economic areas within a county and say
14 these are cohesive, there are some things, some actual
15 numerical facts that we can apply to each cohesive
16 area. That having been said, the concept of a
17 geographical delineation seems to me not to be the
18 first criteria in a market area.

19 Now, I've done said it. You got anything to say
20 about it?

21 MR. KELLER: Well, I'll try to respond. I don't
22 know if a response is needed. As far as your idea that
23 the strata are being subdivided by market area, there
24 is a statute that was enacted several years ago, it's
25 195.096(2)(c), and it says that, "To the greatest

1 extent practicable, the Department shall study
2 assessment roll strata by value groups or market areas
3 for each classification, subclassification or stratum
4 to be studied to assure the representativeness of ratio
5 study samples." So there is legislative recognition
6 that this is a subdivision of a stratum, a market area
7 would be some subset of a stratum.

8 MS. STUART: I don't see how the statute reads
9 that way.

10 MR. KELLER: It's on page 8 of the draft, and
11 that's a quote from the statute there.

12 MS. STUART: Okay.

13 MR. KELLER: At this point, the Department has
14 been --

15 MS. STUART: Stratum --

16 MR. KELLER: -- has been studying the strata by
17 market areas for a number of years, and the draft of
18 this document that you see here is consistent with that
19 activity, we think. It doesn't change the way the
20 Department has been studying market areas.

21 MS. STUART: Okay. Yes, there's no -- there is no
22 reason that the Department can't look at market area
23 and identify property by stratum within market area, or
24 market area by stratum, but there's nothing in the
25 statute and there's nothing in either common sense or

1 the literature that would indicate to me that a market
2 area is a subset of a stratum; in fact, that's
3 counterintuitive. Neither is there anything in the
4 literature, and I have a fair amount, too, and I can
5 produce it, that would indicate that a market area is
6 based on geographical boundaries, or --

7 MR. KELLER: Well, when we talk about
8 representativeness, which is what the statute -- the
9 words the statute uses, I think -- to me, we're talking
10 about using a subset of something to represent
11 something as representative of a greater item of
12 property.

13 Now, at this point, the charts that we've gone
14 over suggest that there's recognition that a market
15 area is something that has parcels in it, and it is
16 also something that has sales in it.

17 MS. STUART: And it also has property types in it.

18 MR. KELLER: And it has property types.

19 MS. STUART: I'll give you that one. But that
20 does not mean that a market area can be defined by its
21 sales or by its property types. More likely by its
22 sales, because at least they're both economic concepts.
23 The concept of representativeness in statistics usually
24 means you identify a population, you use some
25 methodology to pull a sample from that population, you

1 do so such that the sample is representative of the
2 population, and if your population is the population of
3 economic entities in a market area, then your sales
4 drawn from that should represent that market area and
5 help to define it. The strata that are within it, or
6 the different strata that are within it would then be
7 valued based on their position both in the market area
8 and within the strata, but they're not necessarily the
9 same thing, nor does one set the boundaries for the
10 other.

11 I guess the problem I'm saying is that from what
12 I'm seeing here, it kind of has to go back to the
13 drawing board.

14 MR. MOBLEY: Well, what would be helpful is some
15 draft language that you could provide that would
16 address those issues, but we got -- there's an issue
17 here. If we end up with a document that says it's okay
18 for counties with 600,000 parcels to have fewer market
19 areas than counties with less than 6,000 parcels --

20 MS. VANN: How do you know that's wrong?

21 MS. STUART: First you have to find out whether
22 it's possible.

23 MR. MOBLEY: Well, we're talking about common
24 sense. I heard common sense just being mentioned.

25 MS. STUART: There's a town in the state of

1 Maryland called Columbia. It was designed and
2 constructed by Charles Rouse. It is a cohesive whole
3 composed primarily of residential properties with a few
4 little small businesses in it and a big lake. It
5 cannot be other than a market area by itself, including
6 both its small properties, its big lake and all of its
7 single- and multi-family residences. The strata that
8 are within it will be valued within that concept of
9 market area, but that particular area comprises
10 thousands upon thousands of parcels, much, much more
11 cohesive than the area that's next to it, which is part
12 industrial, part residential. I would say that the
13 area that is next to it is substantially smaller, with
14 10 times as many different market areas in it.

15 And that can happen, depending on what the market
16 is. If you've got an area that is totally cohesive and
17 sells altogether in the same manner, you have a market
18 area, no matter how many parcels are in it. And
19 that's, I think, a study that has to be performed in
20 order to identify that concept.

21 MR. MOBLEY: So you're proposing a study being
22 done of the entire state of Florida, and then the
23 Department of Revenue would have in these guidelines,
24 we would sort of be telling each county where to put
25 their boundaries on each market area? Is that --

1 MS. STUART: No, I think the property
2 appraisers --

3 MR. MOBLEY: -- as opposed to providing
4 guidelines?

5 MS. STUART: But what you have to do is define the
6 concept in such a way that they can tell you something
7 that's meaningful.

8 MR. EDWARDS: There's got to be a concept and a
9 methodology.

10 MR. MOBLEY: I'm sorry, could you identify
11 yourself?

12 MR. EDWARDS: Ben Edwards, from Santa Rosa County
13 also.

14 If there's no methodology, then it leaves it to
15 the interpretation of every county, and they may give
16 you work units, which have historical fact in their
17 county, but it's not what you're talking about or what
18 you want to talk about as far as economic units.

19 MR. MOBLEY: So are you --

20 MR. EDWARDS: There may be a requirement -- you
21 may give us a requirement that we report cities as
22 separate. Is that one of the requirements now?

23 MR. MOBLEY: (Shakes head in the negative.)

24 MR. EDWARDS: No? I understood that it was, I'm
25 sorry. But if cities were reported separately, then

1 we've got cities that vary from, you know, two sales to
2 200 sales, you know. I mean, it's going to vary that
3 much. And there won't be anything we can do about it,
4 you see what I mean? There's no methodology to tell us
5 where we're failing, or where we're succeeding, even.

6 You know, we can divide our county up into work
7 units, and we've done that and everybody does that and
8 wants to do that to get some sort of equity in the
9 cross-growth areas in their county and whatnot like
10 that, and we're trying to measure that all the time,
11 but to look down inside the county and divide it into
12 arbitrary units, I don't even know where the boundaries
13 of these units might be, I mean, the true boundaries.
14 I know there's geographic areas within every county.
15 See what I'm saying?

16 There's no methodology here to help us. These
17 rules and everything like that are going to produce an
18 effect, but there won't be anything to help us along
19 the way to give you what you want, I'm afraid, and
20 everybody is going to give you something different.

21 MS. VANN: And, Al, like you said earlier, this is
22 like the fifth meeting that we've had on this. I've
23 been at every one that's been in Tallahassee. These
24 same issues have been brought up at every one of them,
25 the same topics we're having now. Maybe not worded the

1 same, but the concept and our concerns were the same,
2 which is why I asked for your research and your
3 analysis to say where are we missing it and where are
4 you seeing something we're not. Because we've brought
5 this up five times, this is the fifth time, and we
6 don't see any change in your thinking. So, you know,
7 what are you hanging your hat on that we don't have?

8 MS. STUART: And the other question is, once you
9 get it the way you're doing it, what are you going to
10 do with it? Is there going to be some numerical
11 constant that's going to be applied to market areas
12 when you do your oversights? Because that's not going
13 to work.

14 MR. MOBLEY: What do you mean by numerical
15 constant?

16 MS. STUART: Well, if there are market areas, they
17 have to be meaningful in terms of valuation; otherwise,
18 all we're doing is creating. The strata are meaningful
19 in terms of valuation. We do certain things in the
20 county system to property based on its strata. We have
21 base rates on the strata, and they vary according to a
22 lot of other criteria, but generally a strata is
23 defined in terms of its valuation concepts.

24 What you're going to have here if you attempt to
25 define it in terms of a valuation concept is some

1 measure of value based on the market area that may or
2 may not be valid to the property appraiser. And that's
3 of great concern to them if you're going to use it in
4 the roll valuation process, and it's not something they
5 consider to be a measure of value.

6 MR. EDWARDS: Excuse me, anybody with a computer
7 can take a tape from a particular county and can go
8 out, extract these codes and do ratio studies and show
9 that each of these market areas are different. Let's
10 put that in quotes in some respect. Now, that's the
11 problem for the property appraiser. It's not helping
12 him do his job a bit.

13 MS. VANN: It's creating more work.

14 MS. STUART: I think the initial rationale --

15 MR. EDWARDS: It's an arbitrary problem. Somebody
16 will say this particular area is, quote, over or under
17 another particular area, which may not have any
18 relevance to the reality. It's just a ratio study.
19 You see what I'm saying?

20 MR. MOBLEY: I'm sorry, when you say over or
21 under --

22 MR. EDWARDS: Well, ratio studies -- in other
23 words, if you say one area is at 98 percent, one area
24 is at 102 percent, the County is at a hundred percent.
25 You can look at those kinds of things, an enterprising

1 person with a PC can do that, to prove that one area is
2 overassessed and one area is underassessed. But that
3 may or may not be true. I mean, it's just arbitrary,
4 you know, it really is very arbitrary.

5 MR. MOBLEY: What is arbitrary, ratio studies,
6 or --

7 MR. EDWARDS: The result that you get. In other
8 words, the 98 and the 102 don't really reflect, it just
9 reflects that set of numbers that they're having to
10 code into their tapes.

11 MR. MOBLEY: I'm not -- I'm not sure if I
12 understand what you're saying. I mean, do you all want
13 any kind of response, or do you all --

14 MR. EDWARDS: I'm not getting that.

15 MR. MOBLEY: Okay. Let's talk about the seven
16 strata for a little bit. I don't think there's that
17 many counties that use the same base rate for all
18 properties in Stratum 6 or the --

19 MR. EDWARDS: The same ratios, the same level of
20 assessments.

21 MR. MOBLEY: But yet those are groupings for
22 quality assurance purposes, which that is the
23 Department of Revenue's function --

24 MS. VANN: That's easily definable.

25 MS. STUART: And useful.

1 MS. VANN: We'll give you that. We know a hotel
2 from a convenience store and a house. That's pretty
3 easily definable.

4 MS. STUART: And there are assessment definitions,
5 there are certain methodologies and certain economic
6 factors that relate to the stratum. So okay, we don't
7 dispute that that concept is valid. I think the
8 problem that many of us have is that that concept may
9 or may not have any impact on where market areas are or
10 what they are, but I think that the initial purpose was
11 to create more validity in the sales-to-assessment
12 ratio studies to identify market factors that affect
13 all property in all strata, and I'm just not sure that
14 you're getting there or, very frankly, if you get
15 there, if you're not going to be creating something
16 that's an artificial impact on value that really isn't
17 in the market.

18 MR. MOBLEY: Jordan, there is no consensus as to
19 what constitutes a market area, however you want to
20 define it, for whatever purpose you're talking about,
21 okay?

22 MS. STUART: But you will agree that it has to be
23 a useful concept?

24 MR. MOBLEY: Absolutely, and this is useful. It
25 is useful for the intended uses stated in the document,

1 which is statistical and analytical review by both
2 property appraisers as a quality assurance tool to
3 proactively evaluate regulatory compliance, which every
4 county does --

5 MS. STUART: Statistical and analytical review of
6 what?

7 MR. MOBLEY: Of a geographic grouping of
8 properties within one of the -- or more of the seven
9 statutory strata.

10 MR. EDWARDS: Let me ask --

11 MS. STUART: What we're doing here really is we're
12 not creating an area that has to do with any economic
13 factors, but are further subdividing the strata.

14 MR. MOBLEY: I disagree that there wouldn't be
15 economic considerations there. I disagree with you.

16 MR. EDWARDS: How many would be?

17 MR. MOBLEY: Here's what we have. We have people
18 out there right now who are vehement that a market area
19 should be comprised of geographic groupings of all
20 property types, everything in the seven strata,
21 everything.

22 MS. STUART: Okay. I agree.

23 MR. MOBLEY: In other words, take a county and do
24 it like this. Jan is one of them.

25 MS. STUART: There are economic groupings.

1 MR. MOBLEY: There are other people equally as
2 qualified and experienced who are vehement that you
3 would never do that.

4 MS. STUART: I would like to see the data, because
5 I think if you look --

6 MR. EDWARDS: Both of them --

7 MS. STUART: -- at the red book, you're going to
8 get a definition of market data. I think if you look
9 at the blue book, you're going to get --

10 MR. MOBLEY: You're going to get some words,
11 you're going to get something like a large geographic
12 area comprised of similar property types --

13 MS. STUART: Similar economic factors.

14 MR. MOBLEY: -- subject to similar economic
15 influences.

16 MS. STUART: That's what we don't have here.

17 MR. MOBLEY: That's like nailing Jello to a wall.

18 MS. STUART: I understand completely. I can talk
19 ad infinitum about --

20 MR. MOBLEY: I have no doubt. Let's let some
21 other people participate. Sharon?

22 MS. OUTLAND: Sharon Outland, St. Johns County
23 Property Appraiser. And I feel like economic
24 conditions do determine geographic areas, and so who is
25 more apt to determine these than the property

1 appraiser, who is more familiar with the areas, the
2 economic conditions, overlay districts, architectural
3 review committees, that all of these impact the
4 economic conditions for it to reflect the geographic
5 areas that you should be dividing your markets into?
6 And so I don't think it can be as black and white as
7 the number of sales for each market area or the number
8 of parcels for each market area. There has to be some
9 flexibility there, and I think the property appraiser
10 or staff should have the flexibility to determine -- I
11 understand that you have to do an analysis based on
12 market areas, but that's my concept. Of course, like
13 you say, everybody doesn't have the same consensus.

14 MR. MOBLEY: To some people, that's going to mean,
15 you know --

16 MS. VANN: Well, to some counties --

17 MR. MOBLEY: -- something that is -- you're going
18 to have ten experts --

19 MS. OUTLAND: And before, in all fairness to the
20 property appraisers, we were hammered that you could
21 not have more than nine market areas. Dr. Wu and
22 staff, you know, went through this and said you cannot
23 have more. I agree that in some counties, in St. Johns
24 County, I think we should have more, but right now we
25 only have those because we were asked to be limited to

1 that. And before the concept was evolving that it was
2 percentage of increases, not so much actual market,
3 economic, geographic conditions.

4 MS. VANN: When we were first told to put market
5 areas on the system, one of the reasons we were given
6 is because we argued that we have neighborhood codes,
7 and we defined it down to the neighborhood and the
8 argument from the DOR was we can't evaluate, you know,
9 thousands of neighborhoods that are going to be total
10 in the state, so we need something that puts the
11 neighborhoods together that we can adjust by that, and
12 that's when we were told no more than nine market areas
13 in a county.

14 MS. STUART: Even if there might be 20.

15 MS. VANN: Even if there might be 20, but --

16 MR. KELLER: Well, this document here suggests
17 something different from that.

18 MS. VANN: This document suggests geographic
19 stratification. It has nothing to do with economic
20 considerations or anything. It says geographic
21 stratification.

22 MR. MOBLEY: Would you agree that economic
23 considerations will vary geographically?

24 MS. VANN: Maybe.

25 MS. STUART: Maybe.

1 MS. VANN: I mean, I could have two --

2 MR. MOBLEY: I think you have to --

3 MS. STUART: When we're talking about market
4 areas, they do. You don't define a market area unless
5 it's geographic, but its definition is not because of
6 its geography, it's because of its economics.

7 MS. VANN: Right, and that's where the definition
8 is off.

9 MS. STUART: Have you thought of having the
10 property appraisers report to you to see what can be
11 stratified about this concept? Not -- obviously
12 they're not all going to give you the same thing, but
13 -- let me see. You eat doughnuts. I'll bet you
14 three of your choice of doughnuts that if you got -- if
15 you require the property appraisers to report to you
16 about market areas within their county, you're going to
17 be able to find some stratification in that data that
18 you can work with.

19 MR. MOBLEY: Well, Jordan, property appraisers
20 have been reporting market areas on their rolls, and
21 we -- that's why we showed some of the data we have,
22 because -- and we see what we have there. I don't
23 think you can say that there's a methodology that's
24 applied statewide. There's no definition that -- if
25 there was a definition out there, or something out

1 there by their consultants such as yourself that said,
2 hey, here's what a market area needs to be, that was
3 something useful people would go on, I'm assuming it
4 would already be applied, okay? And it's not there.

5 MS. STUART: I think that they have been
6 hamstrung. Some of them are reporting to you their
7 work areas where there are different subdivisions where
8 they set up a supervisor in each subdivision. Some of
9 them have been reporting to you the number of their
10 taxing bodies, the particular cities and counties.
11 They all know that those are not market areas for
12 purposes of valuation, and you know it, but they have
13 been hamstrung in the way they could use the concept.

14 You have the opportunity now to take that concept
15 and make it useful not only to the DOR -- and, boy, I
16 can see some ways it's really going to be helpful if
17 it's done properly -- but to the property appraisers.
18 The problem is, if they've got to be allowed some
19 variability to make it useful as an assessment concept,
20 you're getting to a breakdown here that's going to mean
21 nothing in terms of value, and then when you attempt to
22 apply it, you're going to be just as messed up as the
23 property appraisers are.

24 And I really perceive it as creating more problems
25 than it will fix. I wish I could come in here today

1 and say, "Can you change the words in paragraph 5.3 to
2 say this, and the words in paragraph 6.7 to say this,"
3 but if the entire concept is flawed from the get-go in
4 terms of a value concept, then where can you go with
5 making specific changes?

6 MR. MOBLEY: Well, first of all, I disagree with
7 you on that, for the record. If there were something
8 -- you all have asked questions about the literature,
9 the research or whatever. If there was anything out
10 there that you could go put your hands on that would
11 give a clear indication of what a market area ought to
12 be and what property ought to be in it and all these
13 kinds of things, there wouldn't be the counties just
14 using existing codes, arbitrarily putting market area
15 codes on their property. They would be following all
16 that readily available information that might --

17 MS. STUART: I think some of them are on their own
18 rolls. They're just doing it in such a way that they
19 use it, but it's not reportable to you. You have no
20 mechanism for them to report it. I personally know of
21 three counties, one of which I live in, where the
22 concept of economic location is part and parcel of the
23 value, but they don't report it to you, there's no
24 mechanism for them to report it to you. It does not
25 define in terms of what they would report to you as

1 market area. First of all, there's more like a hundred
2 of them than nine.

3 MR. MOBLEY: Right, right, exactly.

4 I think I'll mention something here that may help
5 frame our discussion a little bit. There's two uses,
6 if you will. Let's look at two uses of geographic
7 stratification, one of those units being market areas,
8 one being producing values, and then the second use
9 being as a quality assurance tool, as a stratification
10 tool, testing the quality of the production, okay,
11 being a separate function; and the analogy would be, to
12 a property appraiser, is when they may go in and have a
13 base rate for, you know, shopping centers, a base rate
14 for a different analysis and rents or whatever, for
15 office buildings and warehouses, and maybe do some
16 separate analysis within Stratum 1, and they produce,
17 you know, their values.

18 Then they go in and say, okay, well, in a lot of
19 these we don't have enough data to really test how we
20 did, so we have these statutory groupings, and we all
21 agree that that's a reasonable thing. So we run our
22 ratio studies by a different grouping than what we use
23 to actually produce the values, okay? So that's the
24 basis for looking at it in terms of two separate uses
25 of geographic units.

1 Most counties, I believe, use -- make use of
2 smaller geographic units they call neighborhoods, and
3 there's another thing that doesn't have an official
4 term, but I would call it like coded site groups, like
5 a frontage on a particular river, frontage along
6 commercial corridors, golf course frontage properties,
7 those kinds of things, that --

8 MS. STUART: Sure, those are too narrow, but is
9 not the purpose of defining a market area to use it to
10 adjust values based on what you know about that market
11 area?

12 MR. MOBLEY: It may or may not be.

13 If I could just finish with what I'm saying, this
14 document is specifically intended to stay out of the
15 use of geographic units, be they market areas,
16 neighborhoods, corridors, coded site groups, stay away
17 from that as those are used in the value production
18 process. We're not getting into -- we're not saying
19 here, here's how you need to produce values, okay?
20 We're providing a quality assurance tool that would be
21 -- that could be used by the counties, and if it
22 doesn't have enough data in it, then it's not useful to
23 anybody.

24 That's why -- and this is readily available in the
25 mass appraisal literature for ratio studies -- you're

1 going to be grouping groups together as our strata to
2 have enough data to have a meaningful sale ratio study.

3 MS. STUART: But then --

4 MR. MOBLEY: So this -- if I could just finish --
5 so this is to be used by both the counties and the
6 Department as a quality assurance tool.

7 MS. STUART: How?

8 MR. MOBLEY: Well, if you have a code on
9 properties within seven strata, okay, and that's based
10 on a geographic area within a county, recognizing that
11 you could have ten different experts in that county go
12 there and draw that boundary, and somebody is going to
13 have a boundary like this and somebody is going to have
14 a boundary like this, and we understand that, but yet
15 we have to have one document that addresses the issues
16 as a guideline, and this document does allow
17 flexibility.

18 MS. STUART: But what are you going to do with the
19 market area?

20 MR. MOBLEY: Say again?

21 MS. STUART: Once you have delineated a market
22 area, what are you going to do with it? What's it for?
23 When you have a stratum, you're saying certain things
24 about the highest and best use of the property.

25 MR. MOBLEY: You're going to run reports the way

1 you run reports, by age ranges, by quality grades, the
2 different way you slice and dice a roll for ratio
3 studies and do graphical analysis.

4 MS. STUART: The age of a property means something
5 in terms of its value. What you're trying to get to is
6 a concept that's meaningful in terms of the value of
7 the property that's not already addressed in some way,
8 and I can't yet --

9 MR. MOBLEY: This is not developed for value
10 production, and I will send you back again, there is a
11 difference between statistical and analytical review of
12 assessment rolls by the Department of Revenue and the
13 property appraisers based on the seven statutory strata
14 than would be used directly in the valuation process.
15 I don't know too many people that go collect rents for
16 hotels and apply it to warehouses. I hope they're not
17 doing that. But yet you test your roll using Stratum
18 6 properties for ratio study purposes. That's what
19 this is.

20 MS. STUART: Because Stratum 6 property can be
21 identified economically and has some commonality in
22 terms of the concepts that produce value.

23 MR. MOBLEY: Well, that's great, so that's why
24 we're basing the market areas on those properties that
25 you say have economic commonality. And this is even

1 better, because this is dividing up a county, it gives
2 more opportunity to have more economic homogeneity
3 within an area.

4 MS. STUART: There is going to be no economic
5 homogeneity by further delineating the strata by sales
6 within that strata. It's not telling you anything
7 about the property. If the concept of uniformity and
8 equity in valuation is related to the concept of value,
9 if you can't speak to value using a concept, then you
10 can't address uniformity using that concept.

11 MR. MOBLEY: I would disagree. I completely
12 disagree.

13 MS. STUART: Sales-to-assessment ratio tells you
14 something about whether or not the assessments
15 approximate the sales ratio -- the sales, yes? It's
16 telling you something about the value. I don't think
17 that we're getting to anything that's going to tell you
18 anything about value. That can conceivably be very
19 dangerous to the property appraisers.

20 And the other thing is they use sales-to-
21 assessment ratio studies, or at least most of them do.
22 They can look at their roll in the same manner that you
23 do. If they're not using these areas in valuation, and
24 you're using them in oversight, then invariably you're
25 going to come up with some stuff that doesn't impact on

1 value.

2 MR. MOBLEY: Right now I believe that the vast
3 majority of Florida counties do not use market areas in
4 the valuation process.

5 MS. VANN: No, they use neighborhoods.

6 MS. STUART: They use some economic geographical
7 delineation.

8 MR. MOBLEY: It's going to be smaller units, and
9 all those things, those aren't required to be reported
10 to the Department, the Department doesn't want them,
11 that's the property appraisers' valuation production
12 process, that's their business. But yet the property
13 -- the Department analyzes assessment rolls without the
14 benefit of that. And I think when a property appraiser
15 is doing ratio studies, you know, to evaluate their
16 roll, to clean up the roll before they send it in,
17 they're not going to use the same methodology that they
18 used to produce the values.

19 MS. STUART: Well, it's a different process, but
20 it's related.

21 MR. MOBLEY: Exactly. Exactly.

22 MS. STUART: It's certainly related.

23 MR. MOBLEY: Sure.

24 MS. STUART: The county systems are based on
25 arriving at a rate from the market that's then applied

1 to the property and its improvements.

2 MR. MOBLEY: If you're doing a good job, it
3 doesn't matter how you slice and dice it.

4 MS. STUART: And when they do a sales-to-
5 assessment ratio study --

6 MR. MOBLEY: Say again?

7 MS. STUART: -- they're using data that
8 approximates the same information, if they're doing it
9 right.

10 That having been said, what data that the property
11 appraisers use is going to approximate the information
12 that results from this delineation of market areas?
13 Where is the assessment-based information? This is
14 oversight. You're supposed to be telling them whether
15 their roll is any good or not.

16 MR. MOBLEY: Well, I would ask you, where is the
17 assessment-based information on the application of
18 market areas as we see it now?

19 MS. STUART: Oh, I think it's highly relevant.
20 Now, you may not like the fact that X county, which is
21 a populous county, has 250 economic delineations or
22 market areas. That may be troublesome in data -- in
23 the sense of manipulating your data, but for them it's
24 very useful, and it's their market areas and it tells
25 them something about values. When they make an

1 adjustment to an area based on economic conditions in
2 that area that don't occur in the rest of the county,
3 they're doing something that relates to the value of
4 the property within that area, in all strata of that
5 property.

6 MR. MOBLEY: Even if their market areas are
7 delineated based on municipality codes or work areas?

8 MS. STUART: No, that's something they report to
9 you. They don't use that stuff in value. But it's not
10 a market area, any more than this is.

11 MR. MOBLEY: Well, it's a market area code. I
12 mean --

13 MS. VANN: Well, that's just because you don't
14 have full compliance if you don't have market areas out
15 there. That's playing the game.

16 MR. MOBLEY: What I don't understand, if the code
17 isn't being used right now, what is the harm in looking
18 at a guideline?

19 MS. STUART: Because you're not -- you're not
20 doing oversight in terms of the market areas now.

21 MR. MOBLEY: Well, we haven't been doing oversight
22 in terms of market areas based on the market area codes
23 that have been submitted if they're based on work
24 areas.

25 MS. STUART: Right. Right, but you're designing

1 something here because you've been mandated to find a
2 concept that you can use to improve your oversight, so
3 whatever you produce here is going to impact the
4 property appraisers.

5 MR. MOBLEY: Well, I would think that property
6 appraisers would want to use it as a quality assurance
7 tool.

8 MS. STUART: If it's not useful, they can't. And
9 right now, we are of the opinion that it can't be done
10 the way you're doing it, that it's not going to show
11 any significant or stratified evidence of value that
12 can be applied to any property in a consistent basis.

13 MR. MOBLEY: But yet basing market area codes on
14 work areas and municipality codes is useful.

15 MS. STUART: They don't do it. They don't do it.
16 But neither do you. We're saying you're going to give
17 them this stuff the way it is, they're not going to use
18 it because they can't use it, and then you're going to
19 use it to evaluate their roll; apples and oranges.

20 Now, I would tell you what I will be glad to do if
21 you want me to. If you're willing to rethink the
22 issue, I'll come up here and I'll help you, and I'll
23 bring you expertise and I'll bring you data, and I'll
24 do it in such a way that it can be useful, and then let
25 you take it from there with your technical and

1 analytical and appraisal skills.

2 MR. MOBLEY: Well, we need you to submit written
3 comments, something along those lines.

4 MS. STUART: Transcript. I talk better than I
5 write. It's all in the transcript.

6 MR. MOBLEY: Well, whatever you would do by coming
7 up here with your information and your data that you're
8 not doing here, put that in writing, but, you know,
9 Word or Excel will handle whatever you got. And you
10 can explain the data --

11 MS. STUART: Can I get a copy of the transcript?

12 MR. MOBLEY: Sure. It's going to be on the
13 Internet.

14 MS. STUART: Great. Good.

15 MR. MOBLEY: And when you're saying coming up to
16 help us, whatever you would do for that, put that in
17 writing, put the numbers in Excel and show us, you
18 know, what the issues would be or the narrative or the
19 definitions, whatever, you know, to demonstrate how to
20 apply the things you're talking about in a way that
21 will give us some uniformity, because we don't have
22 uniformity.

23 MS. STUART: And you need it.

24 MR. MOBLEY: And we need it.

25 MS. STUART: Because if you're going to apply a

1 statistical measure, it's got to be uniform, it's got
2 to be representative and it's got to be based on
3 something that is related to the value of the property,
4 because that's where we're all going. Even when we're
5 doing equity, when we're doing uniformity, it's all
6 based on the value of the property.

7 So, you know, I will be glad to produce something
8 for you, and I'm sure my property appraisers will be
9 glad. My purpose in being here today as a
10 representative of my clients is to see to it, if I can,
11 to the extent that it's possible, that they get
12 something that's useful to them, because there are many
13 of them that don't have the benefit of that kind of
14 expertise, and want it, and to see to it that they are
15 not harmed in their oversight process by the use of
16 something that really doesn't relate to what they're
17 doing.

18 MR. MOBLEY: Well, I would disagree with your
19 comments that this would not be useful. I think this
20 would be a very useful tool both for the Department and
21 property appraisers in testing the quality assurance of
22 mass appraisal results.

23 There's no intention here to make this part of the
24 value production process. It could be made for that,
25 but there's --

1 MS. STUART: That's what it's for.

2 MR. MOBLEY: There's no intent for that.

3 MS. STUART: That's its best use is to create
4 market area adjustments that reflect things that --

5 MR. MOBLEY: I think if there were an essential --
6 if there was a perception of an essential use of market
7 areas in the value production process, we would see a
8 lot more uniformity and we would see a lot more of that
9 being used.

10 MS. STUART: And you could test it, but if it's
11 not reported to you, you can't test it. And if you
12 don't test it properly, you're going to be looking at
13 something that's not based only on value.

14 And please don't misunderstand me, no one is
15 misconstruing your intent. You've been mandated to do
16 this, and I'm sure your goal is to do the best job you
17 possibly can. With a great deal of respect, I say that
18 I think you're off on the wrong track, but that does
19 not at all question your intent or your good faith.

20 MR. MOBLEY: I appreciate that.

21 The gentleman in the back, you raised your hand a
22 while back and we never got to you.

23 MR. HODGES: Keith Hodges, Santa Rosa County. I
24 was just -- when Mr. Keller was reading the statute,
25 196, and he read market area, I was just getting ready

1 to point out that it did not mention geographic market
2 area was the only thing I was going to say, which was
3 brought up already.

4 I still think the biggest concern we've got, or at
5 least I've got, is the possibility of having certain
6 geographic areas that are mandated by DOR where we
7 don't believe that we have enough -- say, for instance,
8 in Santa Rosa County, commercial, I'm not necessarily
9 convinced that we really could subdivide geographically
10 on our commercial market because -- Ben handles our
11 sales data for me, but if you look at all our
12 commercial sales in the entire county, we've only got
13 so many warehouses and so many retail, and it would be
14 very difficult and I think it would be misleading to
15 try to break that down geographically and then have one
16 or two warehouse sales and all that.

17 Now, if we use common sense, this says that you've
18 got to have enough sales to be representative, but I
19 think the concern out here among the property
20 appraisers is is there a possibility that sometimes DOR
21 will just, you know, put blinders on and say, "This is
22 the geographic area and this is what these two sales
23 indicate, and so you've got to have everything like
24 this."

25 MR. MOBLEY: Certainly not two sales, no. That's

1 why we're talking about 30, 40 or more sales.

2 MR. HODGES: That's the part I agree with you. I
3 think logically speaking, the intent would be not to do
4 that, but I think the concern out here is that can that
5 become the case, can that be shoved down our throat?

6 And I think that's why this -- I've been to a
7 couple of these, not near as many as a lot of these
8 folks have been, but I see a constant battle, it's like
9 a conflict here. And I question whether reasonable
10 people couldn't get together and work this out to
11 where, fine, you all want something more than what
12 we're doing, I think we're willing to do it, but we
13 want something that's representative, something that we
14 can get some use out of just as well as you all and not
15 something that we get hammered about, you know, y'all
16 are in error on this and we're going to reject your
17 roll and all that stuff.

18 I'm a fee appraiser just like you were. Long
19 story short is all I want to do is make sure we have
20 the most equitable roll that we can for all our
21 taxpayers in the county. I could care less, but I
22 don't want to be confined by a document put together
23 without the foresight, recognizing what is its
24 contribution going to be.

25 I notice -- and once again, I am playing catch-up

1 with a lot of this, but I notice it reads that Stratum
2 3 and Stratum 7 are not going to be designated for
3 market areas, that you can have a single market area
4 code for those strata, so I guess one question that
5 does come to mind is is that possible that the property
6 appraiser may designate other strata such as if we felt
7 like our commercial strata was not adequate in size to
8 warrant subdividing geographically, can we designate
9 one market area code for Stratum 6?

10 MR. MOBLEY: Well --

11 MR. HODGES: Is it our call or is it your call?

12 MR. MOBLEY: Well, you know, this is a guideline,
13 okay? It has to be followed. It's a guideline. You
14 look at the tables back there, there's two analyses,
15 you know, for each of the strata, and some of the --
16 you know, you get similar indications, there's some
17 variance there, and the literature says, you know, you
18 got to consider this, okay? So it doesn't say, you
19 know, you have to do that. But if there is -- you
20 know, if you got a county with clearly enough data, you
21 know, to create geographic units that can be used to
22 test geographic equity, regardless of whether you'll
23 have ten people that will disagree with those
24 boundaries, we're never going to solve that. If we try
25 to go down that road, we need to get this thing out of

1 the statute, because that is an endless battle, that
2 will never happen.

3 But we don't need to do that. It doesn't need to
4 be necessarily based on what one person or an average
5 of ten people would think in terms of if they went out
6 there to do an appraisal. I've got to write this
7 report, and where's my boundaries? You've done this,
8 you've seen both sides of it, you're not going to get
9 any consensus, okay? There's a reason why a lot of
10 that was left out of this document, so that we could
11 say yes, here's some considerations and boundaries,
12 things to consider, you know, land uses, all those
13 kinds of things, changes in construction, quality and
14 -- changes in quality of maintenance, all those kinds
15 of things, and then here's a guide saying here's kind
16 of where you ought to end up, okay? Not that every
17 market area is going to have exactly, you know, 3,000
18 parcels or whatever, but, you know, you should have
19 enough sales, you know, in each market area to be
20 meaningful.

21 So you -- there's quite a bit of leeway I'm seeing
22 in this document, but if you had a county, let's say,
23 for example, that had, you know, plenty of sales, and
24 then somebody just arbitrarily saying, "Well, you know,
25 in my county, I don't think we need to stratify Stratum

1 6 geographically," then that's going to be contrary,
2 you know, to the, I think the intent of having
3 guidelines.

4 I mean, the reason for having guidelines is that
5 they mean something, and so there has to be some type
6 of specificity here. Even though it is a guideline, it
7 has to be some type of specificity to warrant its
8 existence. And I think there is -- it's a little bit
9 shocking for people, you know, to see this issue has
10 been out there for a long time, we've never had any
11 guidelines, and there's all this variation and
12 expectation and concern, what's the Department going to
13 do, this kind of stuff. So we have a draft now and
14 there are some numbers in there, and it -- it's -- I
15 think it's a little shocking to people, but if you
16 really look at the whole picture here, I think there's
17 more flexibility, I think there's room here for well-
18 intentioned people that want to create geographic units
19 for quality assurance purposes and to still consider
20 reasonable boundaries, you know. Could be wrong on
21 that.

22 If there's any -- that's why we're looking for
23 language, you know, to make this thing better, but, you
24 know, that's sort of a long answer to your question,
25 but it's an excellent question, so I kind of wanted to

1 expand on it.

2 MR. HODGES: And that goes right in line, what you
3 said, if we could trust that as being the gospel, I
4 think from my standpoint I would be much more content
5 with that.

6 And just a thought in my head, I've got a couple
7 of Wal-Marts in Santa Rosa County. My two Wal-Marts,
8 one on the south end and one on the north end, are very
9 comparable, and if you guys say there's relevance
10 there, that's fine. But my office buildings down in
11 Gulf Breeze and my office buildings up in Milton vary
12 entirely. Now, I'll get 12, 14 dollars a square foot
13 in the south end, and I'll get eight to ten in the
14 north end, and I don't want to be in a position where
15 I've got to worry about the south end sales dictate
16 what the north end is worth, that type of thing, which
17 if we use common sense, we're okay. I mean, if I can
18 show it economically such as these ladies have
19 mentioned or whatever and show you that the rents vary,
20 then you're giving me opportunity to, you know,
21 demonstrate my position. That's what I think it really
22 boils down to, is if we can just talk this thing out
23 and be at peace with each other, or whatever.

24 MR. MOBLEY: Yes, I guess, Keith, you're
25 relatively new to the business?

1 MR. HODGES: I am. As I said, I sat in one of
2 those DOR audits here just a couple of weeks ago, and I
3 was very pleased with the way it went. I had heard so
4 much about how it had to be confrontational, and it was
5 very -- it went very well. And I still think a lot of
6 this stuff has to do with just, you know, you all have
7 to understand the concerns out here, you all have a job
8 to do and everybody try to come to a reasonable,
9 resolving compromise.

10 I don't know if that makes any sense, but that's
11 just the way --

12 MR. MOBLEY: As a former fee appraiser myself, it
13 makes all the sense in the world to me.

14 MR. EDWARDS: Can I comment on that? Ben Edwards,
15 Santa Rosa County, I work with Keith.

16 We had talked about this, and then this came from
17 one of your earlier meetings, but one of the
18 suggestions was to use your geographic information
19 system to figure out which parcels would apply to the
20 coding. Now, what you're suggesting is that you have
21 one overlay divided into so many be different areas,
22 three, four, five or eight different areas, but to us,
23 right away our thought was each stratum could have its
24 own set of overlays. In other words, you would have --
25 paint a picture of the county four or five different

1 times, whichever, five different strata. In other
2 words, your Stratum 1 might have this particular
3 configuration, Stratum 2 might have another
4 configuration, Stratum 4 or 6 might have yet another,
5 which would mean that parcels sitting side by side on
6 your assessment roll would have different codes. And
7 geographically, if you looked at them, like if you drew
8 a circle around them, you would have a variety of
9 different codes within that circle, and wherever you
10 move that circle, it would change, because it's coming
11 from an overlay that you can't see from that circle.
12 You see what the problem is?

13 MR. MOBLEY: Absolutely.

14 MR. EDWARDS: So it becomes an extremely
15 difficult -- less easy than you might think to actually
16 code the stuff onto the parcels, because if it's then
17 dependent on the property use code, which changes year
18 by year or moment by moment, whatever they're doing out
19 there. You see what I'm saying?

20 MR. MOBLEY: Sure.

21 MR. EDWARDS: So there's no guideline on how any
22 of that is supposed to work.

23 MR. MOBLEY: There's nothing --

24 MR. EDWARDS: Nothing here --

25 MR. MOBLEY: -- in this document?

1 MR. EDWARDS: Are we going to get told that we
2 can't do that or that it's a one overlay situation or
3 -- I mean, our boss said maybe we should just put one
4 code in there, one code in the county. And then you
5 say, well, now you've got six strata again. So what's
6 to stop us from doing that, just putting one code in
7 there?

8 MR. MOBLEY: Well, I mean, you can ultimately do
9 whatever you want. I mean, there's a process for
10 people that, you know, have no intent, that totally,
11 you know, show no intent whatsoever to follow the
12 guidelines.

13 MR. EDWARDS: Well, that would be following the
14 guidelines in a sense. If we could show that in our
15 county, and specifically it's rural, fairly rural, that
16 it's more or less uniform, why would we want to further
17 subdivide it and expose ourselves to people looking at
18 the tax roll in different ways in different parts of
19 the county? You see what I'm saying?

20 MR. MOBLEY: That's the intent of having it so
21 that the different parts of it can be looked at.
22 That's --

23 MR. EDWARDS: But we already do that, see what I'm
24 saying? In other words -- well, we're getting back
25 into this arbitrariness business. In other words,

1 however we code it is going to be arbitrary -- this
2 lady is suggesting economic or some other kind of --

3 MS. STUART: It's a market area, it better be
4 economic.

5 MR. EDWARDS: -- some other kind of objective way
6 to produce a market area, but we're using our rural
7 fire districts. We don't really know -- we don't have
8 any other way to figure out where things are in terms
9 of geography.

10 MS. STUART: That's because you don't have
11 delineated markets in your county.

12 MR. EDWARDS: That's right. We absolutely don't.
13 It's the next 200 acres of vacant land that somebody
14 can --

15 MS. STUART: My problem is that I think it's
16 incumbent on the Department of Revenue to identify the
17 concept for the property appraisers, allow the property
18 appraisers the discretion to identify their market
19 areas based on the data in their county, give them a
20 coding system, but don't lock them into a methodology
21 that they can't use in their evaluations.

22 MR. MOBLEY: Well, I don't understand the basis --
23 we're not -- this doesn't lock in anybody to anything
24 they can't use in their evaluation. I think that every
25 property appraiser would probably want to run their

1 ratio studies, dividing up their county and their
2 strata by the market area codes as provided in the
3 guidelines.

4 Once again, you're not going to do the same
5 process for quality assurance purposes as you do for
6 value production purposes, and that seems to be a
7 central kind of thing we're going. This document
8 intentionally stays away from the value production
9 process. That is by design. This is focused on the
10 stratification for ratio study purposes.

11 MS. STUART: At this point, there's not a concept
12 that you use in your evaluation in the property
13 appraiser's rolls that is not mirrored by some concept
14 in the assessment process. If you use something that
15 has no value base to it, then you're using something
16 that cannot test equity.

17 MR. MOBLEY: I disagree that this would not have
18 any value base to a property appraiser's operations. I
19 guess -- you know, what we've had this, you know --
20 does anyone else have any -- Mr. Cavalier surely must
21 have some deep thoughts.

22 MR. CAVALIER: This is my first meeting, and I'm a
23 former fee appraiser, too, so my mind is muddled. But
24 I'm not sure what you're trying to accomplish. I
25 understand some of the arguments that are coming from

1 the property appraisers, but all I can do in my mind is
2 relate it back to my county, so I may be
3 oversimplifying this.

4 In my county, I've got the town of Alachua, town
5 of High Springs, town of Archer, Hawthorne and Waldo.
6 If I decided I want to create market areas out of those
7 jurisdictions, am I allowed to do it under your
8 guidelines? Because, I mean, I -- statistically and
9 economically I can prove High Springs has its market,
10 Alachua has its market, maybe Hawthorne and Waldo I can
11 lump together because they're remote, to the east side
12 of the county, and I feel like, all right, now, you're
13 telling me, running my sales ratios and everything
14 else, I can do Alachua as its own entity and High
15 Springs as its own entity, but in terms of reporting
16 data to you, it sounds like you want it set up in a
17 different fashion for reporting purposes while I'm
18 doing my economic valuation process and setting value
19 by another process.

20 Am I looking at it -- am I hearing --

21 MR. MOBLEY: Well, you could have that. If you
22 use market areas in the valuation process, and it's
23 provided for in here, a few counties use market areas
24 as modeling areas or economic areas, they usually call
25 them modeling areas, and the reason they do that is

1 they build these, you know, feedback models or
2 regression models for these specific areas, and those
3 are maintained and, you know, they have their
4 neighborhoods within that, and they may have site codes
5 that run between two or three different market areas
6 and those kinds of things.

7 Those are -- if a county is using a market area to
8 that level of specificity -- and I believe there's only
9 a handful or less than a handful that are doing that, I
10 don't know of very many that are actually doing that --
11 they certainly have the option, if there's some reason
12 why they would need to have, you know, something less
13 than, you know, 1,500 or 2,000 parcels in a market area
14 for whatever reason, I don't know why, because they
15 don't have enough data to build a model on, and if you
16 get to be modeling with too big an area, you've got too
17 much variation in there and you're going to have
18 problems with the modeling, so -- but yet if they felt
19 that they needed to have something drastically
20 different, they can certainly do -- the value
21 production process is, you know, part of the property
22 appraiser's discretion.

23 If, I think that if this document stays out of the
24 value production process, we're really all very much
25 better off.

1 MS. STUART: But then you want to use something to
2 approve or disapprove their rolls that they haven't
3 involved in the value production process at all.

4 MR. MOBLEY: They've certainly used as a quality
5 assurance tool.

6 MS. STUART: No, they have not, nor will they, nor
7 can they. All they're going to do is --

8 MR. MOBLEY: Of course they can.

9 MS. STUART: How? How is it going to be
10 meaningful in valuation?

11 MR. MOBLEY: Well, I think right now --

12 MS. STUART: You can't assure quality of something
13 unless it's relevant to --

14 MR. MOBLEY: Jordan, right now a lot of counties
15 don't use market areas in the process. They have them
16 based on arbitrary things, but they still use them --

17 MS. STUART: I asked you a question now. And
18 every time so far that I've asked you a question,
19 you've told me what the counties don't do.

20 MR. MOBLEY: What I'm trying to illustrate --

21 MS. STUART: I'm sorry, I'm getting frustrated and
22 I don't mean to be sharp.

23 MR. MOBLEY: I'm sorry you're getting frustrated.

24 MS. STUART: I need to know what the relationship
25 of these purported market areas is to anything that has

1 to do with roll equity, let me put that it way.

2 MR. MOBLEY: Well, a basic part of ratio studies
3 is stratification.

4 MS. STUART: No, no, no.

5 MR. MOBLEY: There's stratification by property
6 type, there's stratification --

7 MS. STUART: We already have stratification.

8 MR. MOBLEY: -- by age, by size.

9 MS. STUART: We have that.

10 MR. MOBLEY: Okay. This is stratifying by a
11 geographic area.

12 MS. STUART: We already have that.

13 MR. MOBLEY: This provides for some uniformity so
14 that we don't have a county with more than 600,000
15 parcels, a couple of counties in that area having
16 significantly fewer market areas than counties with
17 6,000 parcels. You cannot convince me as an appraiser
18 that there is any basis whatsoever for, market
19 economics or otherwise, for that kind of situation.
20 And that's what we have and that's what our information
21 shows.

22 MS. VANN: You can't compare it to what we have
23 now, because, as we've stated, most of us are putting a
24 number in there, because when we send our rolls in July
25 1st, if you don't have anything in market area, they

1 come back to you as a noncomplete submission. It
2 doesn't have anything to do with any importance to the
3 number in most counties. If you're basing anything on
4 that data, then you've got flawed assumptions.

5 MR. MOBLEY: Which is, we need the uniform
6 guidelines so that we can have relatively uniform,
7 within a significant range of discretion, to fit market
8 situations that will give us something useful to use,
9 that will be both useful to the property appraisers to
10 demonstrate to the world, hey, look, I do mass
11 appraisal, and we do a good job of mass appraisal. You
12 can look at our use codes, you can look at -- you know,
13 however you want to demonstrate to the world that
14 you're doing good mass appraisal, and, "Look, we've got
15 geographic areas, too. The Department of Revenue uses
16 these, this is mass appraisal, we can demonstrate we're
17 doing a good job."

18 MS. VANN: Why do we need that one more layer?

19 MS. STUART: What if the geographic relationship
20 to value --

21 MR. MOBLEY: Because it is a part --

22 MS. STUART: -- relationship to value? We're
23 mixing the sales within geographical areas, which may
24 be highly variable in terms of value and assessment.

25 MR. MOBLEY: Well, there should be --

1 MS. STUART: In terms of sale and assessment.

2 MR. MOBLEY: Based on ratio studies, there should
3 be, you know, some similar relationship between
4 assessments and value as indicated by sales.

5 MS. STUART: There will be invariably -- if you
6 use the entire population of sales and the entire
7 population of assessments, then when you select a
8 sample, you have to select a sample that's
9 representative of the population, right? What I'm
10 suggesting is that this particular geographical area
11 sampling process does not represent the population, or
12 may not represent the population. To the extent that
13 it doesn't, you're going to be showing things like a
14 useful sales-to-assessment ratio a hundred percent in
15 three of your divisions. Then you're going to have a
16 25 percent, then you're going to have 75 percent,
17 depending on what the real -- what the data is composed
18 of. And the data is not composed of anything that's
19 representative of the entire population by virtue of
20 the way you're doing it.

21 MR. KELLER: Would you not agree, though, that if
22 you have market areas, then the parcels within those
23 market areas and the sales within those market areas
24 are more likely to be representative of the other
25 parcels in the market area rather than representative

1 of the rest of the stratum?

2 MS. STUART: Bingo. If you're defining a market
3 area which is an economic entity, economic unit, if
4 that's your definition, then you don't do it purely
5 geographically. Geography has something to do with it,
6 but the only way geography comes into it is by the way
7 the market defines the geography. And you have to
8 allow the property appraiser the discretion to define
9 his market areas. You can give him guidelines,
10 mandatory guidelines that he must do so and these are
11 the standards upon which he must do so, and once he
12 does it, this is how they'll be coded. That fulfills
13 your requirement. But to try to create an arbitrary
14 physical definition that will apply and create actual,
15 testable market areas in the various counties is going
16 to create problems for everybody. You're going to come
17 up with data that is just -- you're going to be
18 horrified, they're going to be horrified, there are
19 going to be interim rolls all over the county and this
20 is a nasty business. And I suggest for the benefit of
21 everybody, you got to go back and look at what it is
22 you're measuring.

23 MR. MOBLEY: Well --

24 MS. STUART: I'm going to shut up. I'm not going
25 to say another word.

1 MR. MOBLEY: We have a draft, we're having
2 multiple workshops to give everybody a chance to not
3 have to travel so far and that kind of thing. We need
4 your input, written comments are welcome, analyses,
5 whatever you have, and we need to move forward with the
6 process.

7 We're not really looking at a process where we're
8 going to say, oh, my God, this is an impossible thing
9 and we're going to delay and delay and never get this
10 thing done. The plan is to move forward, and so any
11 help that you can give us -- and we need your help.

12 MS. STUART: I hear you. I already said that you
13 would get it, and it will be very proactive and
14 positive. And I'm going to shut up now unless you say
15 something I absolutely can't --

16 MR. MOBLEY: Just for the record, we won't hold
17 you to that.

18 I think if at this point, if there's any other
19 comments, you know, we -- let's just handle it free-
20 form. If there's any particular page anybody wants to
21 go to, that's fine; if not, if you want to just in
22 general continue with what we're doing, this is very
23 good to get -- yes, Sharon.

24 MS. OUTLAND: This is in regards to -- Sharon
25 Outland, St. Johns County Property Appraiser -- 5.3,

1 and the Stratum 3 and 7 were not being reviewed by the
2 DOR and they're exempted from the market area analysis,
3 which is fine; however, for administrative purposes, I
4 would like to continue to code my Stratum 3 within the
5 market areas, because they move in and out.

6 If a property is no longer ag, it's still within a
7 market area, the southwest part of the county, and to
8 go back in and try to find which market area it's in
9 when it moves out or it gets granted ag and it is still
10 in the southwest part of the county but it's not in
11 that market area anymore according to your standards,
12 so you could just not analyze us, but we could actually
13 leave them within that designated market area instead
14 of trying to administratively track those that are
15 moving from Stratum 3 in and out.

16 And then my last comment is about 5.7 through
17 5.16, which is your development of Stratum 1 market
18 area, Stratum 2, 4, 5 and 6. Using this methodology,
19 it appears that you're trying to use these stratum,
20 analyze stratum within a market area, and practically
21 -- I just think it's impossible to do that and it
22 defeats what you say is your purpose of geographic or
23 economic analysis, because your county may not be
24 lending itself to have -- it's not going to have an
25 even distribution within a stratum within market area.

1 So, simply put, the number of sales within a stratum is
2 inappropriate to determine the demographics of that
3 market area.

4 I understand you have to have a number of, certain
5 number of sales to analyze the data, but you cannot
6 stratify it. My basis is either you analyze market
7 area or stratum, but you cannot go down one step and do
8 stratum within market because you're just not going to
9 have in a lot of areas the number of sales to determine
10 that.

11 MR. CAVALIER: Al Cavalier, Alachua County. I
12 know I can sit with my county and divide and create
13 geographic areas that I feel like might have some
14 economic similarities and what-have-you. Then if I do
15 this, then you would go into that market area and look
16 at the individual strata and do your analysis. I mean,
17 is that the concept you're going for? Because, again,
18 it runs into the same problem Sharon was talking about.

19 I can physically, geographically, divide my county
20 and have Alachua and High Springs in that same
21 geographic area and maybe pick up some fringes of
22 Gainesville, but then if you're going to analyze just
23 that market area, because I've described it, the sales
24 data may not -- as she's pointing out, there may not be
25 sufficient sales data, say, in the commercial level for

1 me to establish, or ratios or things that you would be
2 happy with, but if I took the county as a whole, there
3 might be somewhere I might be able to, you know, get
4 those numbers to come in.

5 MR. MOBLEY: Right, exactly. The gentleman here,
6 I forget his name, from Santa Rosa mentioned, you know,
7 for Stratum 1 properties -- and I'm just throwing out
8 numbers here, for example, I have no idea. Let's just
9 say you might have a dozen market areas for Stratum 1,
10 but for Stratum 6 property, obviously you don't have as
11 many. You want to be able to analyze and see how well
12 you're doing geographically.

13 You know, Gainesville could be one market area,
14 and one market area could be everything north of
15 Gainesville or, you know, some configuration, and then
16 the rest of the county could be -- so you would have
17 different boundaries for different strata.

18 MR. CAVALIER: You're saying then to me I should
19 work on strata first, a strata level first and create a
20 market area based on strata criteria and numbers, and
21 so I would have one set of market areas for Stratum 1
22 and another, geographically speaking, another set of
23 market areas for Stratum 2, geographically speaking,
24 after I've looked at the strata as a whole?

25 MR. MOBLEY: Right. Yes.

1 MR. CAVALIER: That's what you're going for?

2 MR. MOBLEY: Right. That would be the most likely
3 scenario.

4 MS. OUTLAND: Al, I want to clarify what your
5 intent is. Are you saying we should designate
6 different market areas for different stratum or not?

7 MR. MOBLEY: Yes. Right.

8 MS. OUTLAND: I think that's a duplication of
9 effort, because already if you don't have enough sales
10 to break it down into market areas within a stratum,
11 then why not just analyze the stratum and say you're
12 putting another layer of bureaucracy on here that
13 doesn't need to be?

14 MR. MOBLEY: Well, the codes already have to be
15 there, okay? This is simply a recoding process.

16 MS. STUART: It's not supposed to be.

17 MS. OUTLAND: That's busywork.

18 MS. VANN: That changes every year.

19 MS. OUTLAND: We've got a lot of other work to do.

20 MR. MOBLEY: There's no doubt, and I can't
21 disagree with that.

22 MR. KELLER: The practical effect is if you have
23 parcels that are in different strata, they are in
24 different market areas for purposes of this analysis
25 that's being done. Even if they have the same numeric

1 code on them, the fact that they're in different strata
2 means that they are in different market areas.

3 MR. MOBLEY: With what -- currently, you know,
4 there are some counties out there that I think have all
5 property types within market areas, and then other
6 counties have -- appear to be having like Stratum 1
7 market areas and Stratum 2 and then some Stratum 6 and
8 5 or whatever, but then there's a lot of crossover
9 there.

10 So, you know -- and there will be -- I mean, I
11 appreciate everyone's comments, you know, the
12 Department does that, that's why we need people's help.
13 This is not an easy thing to do and we don't have the
14 answers now, but I think we all have to understand that
15 at the end of this process, we have to come up with
16 something, and probably a lot of people are going to
17 disagree with it because there's a lot of disagreement
18 out there as far as what property types should be
19 included within a given market area.

20 And we had a -- you know, we had, you know,
21 workshops last year addressing that issue a lot, and we
22 had different people get up and feel very strongly
23 different ways. And you have to say, well, I don't
24 know necessarily which one is right, but I know that
25 they can't both be right and they can't both be wrong,

1 necessarily.

2 The thought behind going with the seven statutory
3 strata is that these are analysis units by property use
4 code that everyone is used to doing. And we thought to
5 try to streamline this whole process and to make it as
6 simple as possible using, you know, substratification
7 by -- of the seven strata, which is something that
8 everybody is already familiar with, that people are
9 going to feel very strongly one way or the other.

10 And I hope that we can, you know, come together in
11 this business -- I say this business, you know, the
12 people in the Department and the counties -- because
13 we're all trying to do the same thing, is recognizing
14 that if we're going to get this thing done, and I think
15 we have to, I think our credibility is at stake,
16 there's probably going to be some things that people
17 don't like at the end. The challenge is to make it --
18 to make it workable. I think that maybe Jordan can
19 give us something that everybody is going to love and
20 make it easy on us, and we certainly look forward to
21 that, but it's not going to be an easy project and it
22 hasn't been so far.

23 MS. STUART: If you're willing to be open-minded
24 and to go outside -- think outside of this particular
25 box you've created, then what I can say can be useful

1 to you. But it's got to be useful to everybody and
2 can't be cumulative to anybody.

3 There have been problems in a number of counties,
4 fairly large counties, even, in getting sales or
5 agreeing what sales were proper in particular strata.
6 I can recall a specific county where, this was a county
7 with an excellent reputation in terms of equity where
8 one year Department of Revenue reps and the County sat
9 down, and there were just not enough sales in one of
10 the significant strata that they could agree upon as
11 valid.

12 Now, what you're talking about here is further
13 delineating those strata based on sales, and, you know,
14 if you can't do it in a midsized county, then you're
15 going to have a terrible time in even smaller counties.
16 So, you know, at some point, yes, you're going to throw
17 the data out, you're going to say, well, there aren't
18 enough sales in this particular division or
19 subdivision, I can't bring myself to call them market
20 areas. But if you end up throwing out more than you've
21 got, all you've done is complied with the letter of the
22 law and you haven't found anything useful.

23 So for your purposes, I think it's necessary to
24 think outside of this particular concept.

25 MR. MOBLEY: So I guess what you're saying is

1 number of sales would be a consideration in this, is
2 that --

3 MS. STUART: Well, I think that for your purposes,
4 you've got no choice, that what you want to use this
5 market area data for in compliance has to necessarily
6 involve something where there are sales to test against
7 whatever measure you've set up. So what you need is a
8 measure where, A, you've got the sales where you can
9 identify them in terms of the criteria. And I'm not
10 sure you do here. I'm not -- you know, it could be
11 problematic even with market areas, but if a property
12 appraiser reports to you that he has X market areas
13 that apply to his strata, let's say that you can do it
14 by strata without limiting -- without making different
15 market areas for every strata, and let's say you look
16 at Stratum 1, Market Area 1, and he identifies a Market
17 Area 1, and let's say he says he only has four market
18 areas, the rest of the data falls outside of the market
19 area. Is that workable?

20 So that data to which a market area applies would
21 be tested for equity in that market area, but that data
22 to which no market area applies -- in other words, the
23 data could be all over the place, there's no cohesive
24 value, there's no cohesive set of sales that define
25 that market, could you test that outside of the market

1 area, continue to use Stratum 1 sales-to-assessment
2 ratio?

3 MR. MOBLEY: Yes, if I'm understanding you
4 correctly, I think there would be other assessment roll
5 evaluation methodologies that would look at Stratum 1
6 and maybe look at it by value range, or even just
7 overall Stratum 1, that would make use of those data.

8 MS. STUART: A category called the rest of Stratum
9 1 that doesn't fall into a market area, I can think of
10 a particular example where, let's say you've got a
11 neighborhood, a very large neighborhood, I don't want
12 to use -- don't be biased by that word -- that's grown
13 up over time, and even though the three subdivisions
14 down the road can be identified in terms of some
15 cohesiveness, that particular place, the properties
16 sell all over the place, some of them are huge, some of
17 them are tiny, even the land values are variable by
18 where they're located and what amenities are there.
19 And you can't identify it as any kind of market other
20 than geographically. It sits in the same place, but in
21 terms of value, there's no coherence. Could that one
22 be accepted from the market area reporting saying
23 basically you've got non-market areas in Stratum 1?

24 MR. MOBLEY: Within a county?

25 MS. STUART: Uh-huh.

1 MR. MOBLEY: So in other words, you can have a
2 county for Stratum 1 property and say, okay, well, God,
3 you know, 80 percent of the properties here fall within
4 these five market areas, but the rest of these
5 properties, they just -- you can't put them in a market
6 area because you just can't do it?

7 MS. STUART: Right.

8 MR. MOBLEY: Well, if you were using market areas
9 in the valuation process, so would you not value those
10 properties?

11 MS. STUART: I would do them based on the stratum,
12 sales-to-assessment ratio for the whole stratum.

13 MR. MOBLEY: You don't appraise using ratios --

14 MS. STUART: Oh, I'm sorry. If you were
15 appraising them, would you use a market area?

16 MR. MOBLEY: If you're appraising them, if your
17 methodology for producing Stratum 1 values was a
18 regression model in each market area but you said,
19 well, I just can't -- these 20 percent of these
20 properties, you can't put them in a market area, they
21 don't have a market area --

22 MS. STUART: Right, I leave the modeling process
23 out.

24 MR. MOBLEY: So you would use, then -- using a
25 different valuation methodology, the cost approach or

1 whatever? How are you going to adjust your cost
2 approach to the market if you don't have them in a --

3 MS. STUART: You wouldn't adjust it. You would
4 -- your adjustments would be based solely on market
5 area data. If applicable, you would make adjustments
6 based in a market area if that market area warranted
7 adjustments from the base. And in a place where you
8 couldn't identify a market area, no adjustment would
9 apply.

10 If -- let's say you test Market Area 1, and Market
11 Area 1 you can see is above the norm, so you figure out
12 what your adjustment will be, you adjust that area.
13 Market Area 2, you look at it and you say there's no
14 significant difference from the norm for the entire
15 county in that strata,"so you don't adjust that one at
16 all. And what, 5, 6, 7, 8, and then you get to those
17 properties that don't fall in the market area. Per se
18 they would not be adjusted, based on that market area
19 economic condition. They would be -- they would stay
20 at whatever the base was for that type of property.

21 MR. MOBLEY: What would be -- this is a completely
22 new concept in mass appraisal to me.

23 MS. STUART: It's a good one. Ask Bob Gloudemans,
24 he likes it. It's just a little more discretionary.

25 MR. MOBLEY: What would be the basis for saying

1 some properties aren't in a market area? I realize
2 there may be some --

3 MS. STUART: Well, you do your regression study.
4 Okay, here they are, they're in a cohesive geographical
5 area, and you look at them and you regress the sales
6 and you say there's no cohesiveness here, there's
7 nothing on which I can base any kind of adjustment.
8 The property -- the sales of the properties do not
9 relate to one another, even though they're in the same
10 place, there's no cohesiveness, no way to identify this
11 as an economic entity.

12 MR. MOBLEY: Based on a regression model?

13 MS. STUART: Yes. And that's the only way you
14 could do it.

15 MR. MOBLEY: Well, now, there are some very
16 competent folks out there that say regression only
17 works when you don't need it.

18 MS. STUART: I think they're wrong. Actually, I
19 think there's a very simple way to identify a market
20 area, and if it's -- if it's very -- you know, you can
21 identify it without the numbers sometimes. You can
22 look at it and say, hey, this is a cohesive area, it
23 all buys and sells the same. But then to do it
24 properly, you have to apply some statistical measure to
25 say, yes, is my intuitive knowledge correct? I think

1 one of the simple things you can do is measure the
2 sales against the assessments.

3 MR. MOBLEY: But let's just say you have an area
4 like that and let's say it's a big area. An example:
5 somebody tried to use a really big area, and is that
6 going to be problem? Why wouldn't you want to split
7 that area up into four sectors to test whether you're
8 doing as well in one part of it as another part to
9 demonstrate that you're doing an equitable job of mass
10 appraisal for quality assurance purposes?

11 MS. STUART: You might.

12 MR. MOBLEY: I would want to be able to
13 demonstrate that.

14 MS. STUART: You might. I think depending on what
15 your initial data was and some measures of error, you
16 might want to go further and look at it to see -- well,
17 the question is, do you want to further delineate it?
18 If you found a significant market distinction
19 statistically, do you want to further delineate it?

20 You might want to as -- to show that that
21 delineation was homogeneous and that there was not some
22 area within it which didn't fit within it. Yes, I
23 think a simple kind of square test.

24 MR. MOBLEY: And you might want to be able to --

25 MS. STUART: You want to measure dispersion within

1 your normative measure.

2 MR. MOBLEY: And you might want to test that area
3 that you're modeling as a whole area, you might want to
4 break that up and see how your ratio studies look to
5 test your model, because --

6 MS. STUART: You might, but then we want to apply
7 Occam's razor to this whole thing and keep it as simple
8 as possible while still doing the job.

9 MR. EDWARDS: It might be quartiles that relate to
10 one another.

11 MS. STUART: You also don't want to create
12 something that the property appraisers can't handle.
13 We want them to be able to do what you're doing.

14 MR. MOBLEY: I think staying out of the regression
15 and modeling area process is headed that way, the way
16 this is focused strictly on a quality assurance tool.

17 MS. STUART: You could use some simple
18 nonparametric measures to identify market areas in the
19 large scheme.

20 MR. MOBLEY: Well, I'm going to leave that up to
21 you and the rest of the smart people, because I --

22 MS. STUART: Now, that was unnecessary. But I
23 will definitely -- I will provide you with further
24 information.

25 MR. MOBLEY: Right. We appreciate that. That's

1 what we need.

2 And we would like to invite everyone and anyone
3 that you all know that's not here, that we need some
4 language, we need something here, we need to get a
5 document done, and so we need your help with that.

6 MS. STUART: There is definitely time pressure.

7 MS. VANN: Have you checked to see if there's any
8 state doing this and what their definitions are and
9 what their implementation plan was and how it worked
10 for them?

11 MS. STUART: Indiana did it in the course of their
12 litigation.

13 MR. MOBLEY: Well, what it boils down to is we're
14 dealing with a set of Florida laws, and what's really
15 important, we know it's in the literature, and the way
16 another state may do something is going to be a
17 function of their legal structure and the way they go
18 about things, and, quite frankly, it's not -- it may be
19 interesting to look at some of that stuff, but it's not
20 going to drive anything here.

21 MS. STUART: It may be more than interesting. It
22 may give you some thoughts about methodology. I know
23 the State of Indiana for the last seven years, I think
24 it is, has been in litigation over the fact that the
25 entire tax roll was destroyed and the entire tax

1 structure was taken down because they were incapable of
2 being equitable under that structure. They have
3 rebuilt from the ground up, and some of the things that
4 they've done include market area evaluation, probably
5 more sophisticated than you want to get to, but there's
6 a lot of stuff that you could pull out of it. I can
7 tell you who you might want to talk to and what kind of
8 documents you could get.

9 MR. MOBLEY: Sure. You could submit that along
10 with your other information. Sure. If anyone knows of
11 anything in another state that you feel should be
12 considered, the -- there were two -- actually, there
13 was a -- some market area guidelines or economic area
14 guidelines from Colorado that we got off a Web site,
15 and it was all pretty general stuff and it was focused
16 on the delineation of market areas as modeling areas
17 for building regression models, and that's addressed
18 in -- but the problem with that is they combine some
19 discussion out of the single property appraisal
20 literature with the mass appraisal literature, and you
21 look at that stuff and you think, "This is not going to
22 get us anything that people can understand."

23 And as far as discussing it in broad, general
24 terms, page 119 of the IAAO mass appraisal book, it
25 says, Geographic Stratification is the heading, and

1 then it talks about market areas and neighborhoods
2 being subsets of market areas, and talks about
3 regression coefficients and all that. We -- by design,
4 we're not getting into that in this document. We don't
5 want to -- in the development of market area guidelines
6 and the definition of market area, we do not want to
7 imply that a property appraiser needs to be using any
8 particular valuation methodology, and to enter into a
9 discussion in this document defining market areas as a
10 modeling area and applying the use of regression is not
11 something that we're going to do.

12 MS. STUART: You sure can, and it would probably
13 be wonderful, but you don't need to.

14 MR. MOBLEY: It would not be wonderful.

15 MS. STUART: Oh, I think that from my perspective,
16 taking a tax roll into court for either of the reasons
17 either on an equity issue or a valuation issue, I would
18 love to have that kind of data, but it's not realistic.

19 MR. MOBLEY: You're certainly welcome to it. We
20 think that it's good to keep this document out of the
21 value production process. That's the -- and focus on,
22 as it's provided for in the statute and in the
23 professional literature, as a unit for, you know, a way
24 of stratifying by geographic area for ratio study
25 purposes.

1 MS. STUART: I don't disagree with you that market
2 area implies geographic area, but I think that that's a
3 side effect of the fact that economic factors occur in
4 geographic areas, that you can't have a market area
5 that includes the -- first, the top half of the north
6 end of the county and the bottom half of the south end
7 of the county. If you see consistency there, you've
8 got two market areas, not one, because geographically
9 they're not within the same boundaries.

10 MR. MOBLEY: Right.

11 MS. STUART: But you can define a market area by
12 the simple data that you have, and you would have much
13 more useful data if your property appraisers were
14 permitted to define market areas to you that they
15 actually used in their assessment process.

16 MR. MOBLEY: But what if most of them don't use
17 market areas in the assessment process?

18 MS. STUART: I think they should.

19 MR. MOBLEY: Well, that's their business, and this
20 is not about that.

21 MS. STUART: There's not one of them that doesn't
22 have the wherewithal to do so. I don't think it's for
23 you to mandate, and you agree with me.

24 MR. MOBLEY: Absolutely.

25 MS. STUART: But if they can, their chances of --

1 not only their chances of capturing all value in an
2 area go up, and their chances of your finding equity in
3 their tax roll if you're both using the same stuff are
4 higher, assuming everybody picks the same sales, but
5 that having been said, they don't have to use it to
6 tell you what it is. They can define it to you, and
7 you can basically give them mandatory guidelines on how
8 to define it to you.

9 MR. MOBLEY: That still allows for significant
10 discretion, which this does.

11 MS. STUART: Absolutely.

12 MR. MOBLEY: It provides --

13 MS. STUART: And right now I don't think the
14 discretion is there. I think that basically you're
15 telling them what they have to report, and you're
16 telling them, with all due respect, that they have to
17 report something that's not useful to them. That's
18 purely for the oversight process, and we don't want
19 that.

20 MR. MOBLEY: Well, for reasons discussed
21 previously, I would respectfully disagree with you on
22 that. It can be very useful.

23 Does anyone -- we're just in free form style.
24 We've got an hour and 10 minutes to go. We're -- when
25 everybody has had enough, let us know. If not, we'll

1 just keep going until 1:00.

2 MR. EDWARDS: Can you discuss the tables in the
3 back of this document, and were they developed from the
4 2002 submissions that you showed us the other --

5 MR. MOBLEY: Right. The sales are the 2001 sales,
6 because we don't have the 2002 sales yet.

7 MR. EDWARDS: Is there a recommendation for the
8 number of market areas based on parcel count? Is that
9 what I see on some of these? Like Table 2-A is -- or
10 is that something else? Are you going to use that to
11 say, well, if it's got 60,000 parcels, it should have
12 approximately this many market areas, or --

13 MR. MOBLEY: Well, that's certainly the
14 implication from this draft, that there's -- we're --
15 this is certainly not set in stone. We're looking for
16 help.

17 MR. EDWARDS: I want to tell from you my own
18 knowledge, okay, Santa Rosa County, we assign the
19 taxing district code, which includes cities and rural
20 fire districts. It has nothing to do with market area.
21 I work for Escambia County. They have four codes, or
22 five, possibly, and it's almost two and a half times
23 larger than Santa Rosa County now. It's just whatever
24 these people are putting in there that you're getting
25 from them, okay? It's worse than flipping a coin.

1 MR. MOBLEY: The analysis of the data that we're
2 getting shows that.

3 MR. EDWARDS: Okay, so, I mean --

4 MS. VANN: If that was the basis for any of
5 this --

6 MR. EDWARDS: Please don't use that to think --

7 MR. MOBLEY: No, no, absolutely not, no.

8 MR. EDWARDS: I can't look at this and comprehend
9 what it's supposed to be doing right away.

10 MR. MOBLEY: Just to tell you, look at Table 2 --
11 I'm not going to go through every single bit, because
12 the document explains all that, so I won't bore you
13 with details, but look at Table 2-A. The data are
14 sorted there in ascending order by parcel count, and
15 then you've got an analysis there --

16 MR. EDWARDS: Sale count.

17 MR. MOBLEY: -- that indicates in the fifth
18 column, there's an indicated distribution of market
19 areas, okay. And so that's tied to a county by Stratum
20 1 parcel counts, okay? And then you have another --

21 MR. EDWARDS: But we have 16, and you're showing
22 17 there in that column, but -- I don't know if that's
23 coincidental or -- I think I can find our county,
24 that's the only reason I say that.

25 MR. MOBLEY: Yes, it's interesting, it is

1 coincidental. We didn't put the county names on here
2 because this is objective. You know, we don't --

3 MR. EDWARDS: Sure.

4 MR. MOBLEY: So there's an indicated distribution
5 of market areas in Table 2-A, and as you can see, the
6 smallest counties really, you know, don't -- for ratio
7 study purposes, they don't need more than one market
8 area. And then obviously there's some uniformity in
9 the indicated number of market areas all the way down
10 to the, you know, big, huge counties, you know, and so
11 those are higher numbers.

12 Table 2-B is based on a sale per market area,
13 that's what's kind of driving that, and the
14 distribution there is a little different, you know,
15 it's not going to be the same for each table. Then in
16 Table 2-B, it shows five counties as only needing one
17 market area based on this analysis, and then you can
18 see a distribution that's --

19 MR. EDWARDS: Because you need so many sales per
20 stratum?

21 MR. MOBLEY: Right, based on needing that. Then
22 coming down the list, you can see it sort of ends up
23 that there's a distribution there, progression down the
24 list of counties. And by the way, these data are
25 sorted in ascending order by sale counts. And because

1 there's a pretty -- in Stratum 1, there's a pretty high
2 correlation between sale counts and parcel counts, this
3 distribution ended up --

4 MR. EDWARDS: Do the guidelines tell us that we
5 need a certain number of sales within a so-called
6 market area?

7 MR. MOBLEY: Yes. What -- the current valuation
8 methodology that's in place, and the thought is this
9 whole thing is consistent with working with the seven
10 strata that everybody is used to, it's consistent with
11 the roll evaluation process using market areas the way
12 it's already set up that a lot of people are already
13 used to getting some feedback from periodically, it
14 looks at market areas within strata that have 30 or
15 more qualified sales.

16 MR. EDWARDS: And if they don't, is that thrown
17 out, basically? Going back to us now, I'm just telling
18 you we have the rural fire districts where you might
19 have six sales --

20 MR. MOBLEY: Right.

21 MR. EDWARDS: -- versus thousands in another part
22 of the county.

23 MR. MOBLEY: Right.

24 MR. EDWARDS: It just happens to be that way, the
25 way we code it. So you're going to throw that one out

1 in the study because it only has six sales?

2 MR. MOBLEY: Yeah. When you say throw it out, I'm
3 not sure -- it may go into another category of
4 analysis. I don't think -- you know, generally we want
5 there to be enough sales -- we don't want to get
6 down --

7 MR. EDWARDS: I don't know how to group things --
8 well, it's not up to me, necessarily, but I wouldn't
9 know how to group. I could group the whole rural part
10 of the county together and maybe get 30 sales, but then
11 you've got a spatial distance of dozens and dozens of
12 miles between those parts of the county.

13 MR. MOBLEY: Right. There's --

14 MR. EDWARDS: It gets to be --

15 MR. MOBLEY: There's a county that I'm aware of,
16 I'm not going to mention the name --

17 MR. EDWARDS: It's coincidental?

18 MR. MOBLEY: Sure.

19 MR. EDWARDS: In other words, you've created a
20 coincidental group by doing that?

21 MR. MOBLEY: Well, yes and no. Somebody that
22 wants to live in the country wants to live in the
23 country.

24 MR. EDWARDS: It depends on where it is up there.

25 MR. MOBLEY: I understand, but we're not talking

1 about single property appraisal here, we're talking --
2 this is a mass appraisal.

3 MR. EDWARDS: I understand. It's still
4 coincidental almost.

5 MR. MOBLEY: Well, you know, it's not a perfect
6 science.

7 MR. EDWARDS: Oh, that's for sure.

8 MR. MOBLEY: And I'm aware of a county that does
9 use regression modeling, and I won't identify the name
10 of the county, that has a market area that's basically
11 all the stuff that doesn't fit into other market areas,
12 and it's all the rural stuff. And, you know, so
13 they're using it for actual value production purposes.
14 So using --

15 MR. EDWARDS: Well, I could use that for quality
16 control and for people to go out and take another look
17 at those areas.

18 MR. MOBLEY: Right. If you got -- exactly,
19 exactly. If you got a big area like that and you get
20 some indication, you know, that there might be some
21 issue in there with your ratio study, to know where to
22 go look, you might have to break it down further and
23 put them on a map or something.

24 MR. EDWARDS: Okay. So talk about these tables
25 some more.

1 MR. MOBLEY: Table 2-B is another distribution of
2 indicated market areas for Stratum 1 property. It's
3 pretty similar distribution and -- but there will be --
4 there's going to be some variation, depending on the
5 relationship between number of qualified sales and
6 parcel counts, you know. The ones that have the
7 counties that vary significantly from the norm relative
8 to the other counties of similar size are the ones that
9 might have, you know, one analysis showing 18 market
10 areas and the other one showing 21 or something, you
11 know, along those lines. But this is just another, you
12 know, uniform distribution based on sale counts.

13 MR. EDWARDS: Okay. I've got 16. When would you
14 notice that I have consolidated that, or we have, into
15 six or eight? In other words, at what point does it
16 become an issue on the submission?

17 MR. MOBLEY: You mean on your number of market
18 areas?

19 MR. EDWARDS: I just said that right now it's sort
20 of arbitrary, it's based on what we had that was
21 geographically distributed, which was the taxing
22 district codes. So if we said that we wanted to
23 combine all the rural parts of the county into one code
24 and submit that, would that be an issue in the
25 submission process that we had changed from 16 to eight

1 or whatever?

2 MR. MOBLEY: Well, what we're looking at is -- the
3 current plan is for 2005 rolls. That gives 18 months.
4 Some counties indicated they want to --

5 MR. EDWARDS: So nothing that we do now would
6 matter that much?

7 MR. MOBLEY: No, not unless if you want the
8 Department to take a look at, you know, say if you
9 wanted to do your recoding by next year and you wanted
10 the Department to take a look and say --

11 MR. EDWARDS: It's not required that cities be a
12 separate codes?

13 MR. MOBLEY: A separate market area code?

14 MR. EDWARDS: Yes. Like a city being -- the
15 ability to levy a village, for instance?

16 MR. MOBLEY: No, I'm not aware of any -- is there
17 any, Legal?

18 MR. KELLER: No.

19 MR. MOBLEY: I'm not aware of any correlation
20 between that and market --

21 MR. EDWARDS: So we could combine a rural city --
22 I just happen to have one rural city -- we could
23 combine that with the adjacent rural area?

24 MR. MOBLEY: Sure. If that --

25 MR. EDWARDS: If we wanted to. I'm not saying we

1 will or won't. I just don't want to get our appraiser
2 into a position where we give him advice and say just
3 go ahead and let's get rid of all these rural market
4 areas, because I don't want to see the report, frankly,
5 it's just page after page of it that means nothing
6 because you've only got five or six things.

7 MS. VANN: On Table 2-A and Table 2-B --

8 MR. MOBLEY: Yes.

9 MS. VANN: -- on one of these it says the
10 indicated distribution of market areas is 17 for our
11 county; on the other one it says indicated distribution
12 of market areas is 18. Are you saying --

13 MR. EDWARDS: It's a different thing.

14 MS. VANN: But still, we only have 16 market
15 areas, so where do the numbers come from is what I'm
16 asking.

17 MR. EDWARDS: They're predicting.

18 MR. MOBLEY: No, I'm sorry, Jan. On the first
19 thing we discussed, that was the actual market areas
20 that are reported, these are the indicated distribution
21 from the analysis of parcel counts. As you can see,
22 this is a uniform distribution, you know, from small
23 counties to large counties, whereas the other data,
24 that's the actual data that's out there now on the
25 counties.

1 MS. VANN: But again, that's based on the mean, or
2 what?

3 MR. EDWARDS: It's like the count, parcels divided
4 by the count, it's not based on anything.

5 MS. VANN: The number means nothing, basically?

6 MR. MOBLEY: Oh, you mean in 2-A and 2-B? Well,
7 2-A is driven by Column 3, Estimated Parcels Per Market
8 Area, and with the notion that you'd like to have a
9 minimum of 40 sales in a market area, and you kind of
10 look at the relationship some between number of
11 qualified sales versus number of parcels, you know, we
12 started out with 15, and then the way the model is set
13 up, it's going to tell you as you're putting the
14 calculations in there, or putting the data in, it's
15 going to give you some input here -- I'm sorry, some
16 output in the last two columns, Indicated Sales Per
17 Market Area.

18 So this analysis starts off with about 1,550
19 parcels, and a distribution is created, you know, that
20 provides for uniformity and gets us so that we have --
21 you expect smaller counties to have a fewer number of
22 market areas than great big counties, and that's
23 basically what it boils down to.

24 MS. STUART: Al, if this goes forward in this
25 format, would you be mandating or using, yourselves, a

1 specific number of market areas as defined this way,
2 and would they be of equal size?

3 MR. MOBLEY: I would anticipate they wouldn't be
4 of equal size.

5 MS. STUART: How would you decide -- like let's
6 say you decide that Stratum 1 in X county should have
7 20 market areas. First of all, would you be saying it
8 must be 20, or is that the property appraiser's
9 discretion? And then second, irregardless of how you
10 answer that, how would you decide what constituted a
11 market area within that stratum?

12 MR. MOBLEY: Well, first of all, I'm not going to
13 decide anything. Steve Keller and David Beggs are
14 going to decide this stuff. I'm a glorified typist, if
15 you quite frankly want to know the truth.

16 MS. STUART: But how would the Department deal
17 with those two things?

18 MR. MOBLEY: Well, number one, here's how I'm
19 going to answer that. We don't know that this is how
20 it's going to look. We want your feedback on this.
21 Should this be more -- part of the reason behind the
22 development and presentation of this document -- and
23 the final document will not be this voluminous -- we
24 went into a lot of explanation of, you know, what the
25 numbers looks like, because people aren't familiar with

1 looking at all these, you know, the counties by parcel
2 counts and sale counts, et cetera. But another
3 possible presentation of something like this could be
4 parcel count ranges, you know.

5 Well, I mean, if you don't have, you know, enough
6 parcels in there to have enough sales to do anything
7 with, you know, why bother? So you've got to have a
8 minimum number of parcels to make it be meaningful;
9 otherwise --

10 MS. STUART: Let's say you do. How do you get to
11 the breakdown? How do you -- well, even if -- you're
12 the ultimate arbiter, let's say. Let's say DOR decides
13 how many market areas they should have, and nobody
14 argues. Then how do you decide within there what's a
15 market area for Stratum 1? You've got 20 of them.
16 Where do they start and where do they stop and who
17 decides?

18 MR. MOBLEY: Well, that is -- that's where the
19 discretion comes in. I mean, this is a guideline.

20 MS. STUART: So the property appraiser would pick
21 them?

22 MR. MOBLEY: Sure, according to the guidelines,
23 that's the whole thing. That's why we have guidelines,
24 so the property appraiser can do it according to the
25 guidelines.

1 MS. STUART: What if he says, "I cannot identify
2 -- "This says, DOR says I should have 20, but I can
3 identify 15 discrete areas." Would that be acceptable,
4 could he justify that to you?

5 MR. MOBLEY: I have no idea. I don't know what
6 this final document is going to look like. I mean, you
7 know --

8 MS. STUART: I think those are some of the
9 things --

10 MR. MOBLEY: Sure.

11 MS. STUART: -- that -- unless it's reworked, and
12 there's a lot more to say, obviously, but I think
13 that's one of the things that you want to be able to
14 tell them before you finalize it.

15 MS. VANN: Al, I still want to request that -- is
16 there some way you can put on the Web site or some way
17 you can send to us copies of your staff research and
18 analysis of this? Because obviously quite a few of us
19 have done our own --

20 MR. MOBLEY: This is it.

21 MS. VANN: No, this is the result of it. I want
22 to see --

23 MR. MOBLEY: No, this is it, this is it. This is
24 a pretty voluminous document for this. This is the
25 analysis. That is why we're having, you know, two big

1 pages of numbers here for each of the strata. This is
2 the analysis.

3 MS. VANN: Okay. You don't have a list of stuff
4 that you got from other states, people you talked to,
5 anything that you did? Because you said in your
6 opening statement that you did research and analysis.

7 MR. MOBLEY: This is --

8 MS. VANN: Well, research --

9 MR. MOBLEY: This is research and analysis.

10 MS. VANN: No, this is a product that's developed
11 from the research and analysis. So I want to know how
12 we can see your research and analysis so we can compare
13 it to the research and analysis that we've individually
14 done, because obviously we're coming up with different
15 answers. So your stuff is coming from a different
16 area, probably, than what ours is, and I would like to
17 know how we can get a copy of the research and analysis
18 that you talked about in your opening statement that
19 you used to create this document. This isn't your
20 research and analysis --

21 MR. MOBLEY: Yes, it is.

22 MS. VANN: -- this is a document that was created
23 from your research and analysis. This is your
24 interpretation of the information you received. We
25 would like to see the raw information to see if we come

1 up with the same interpretation.

2 MR. MOBLEY: Are you talking about the printouts
3 from the Department's --

4 MS. VANN: Whatever you got. Whatever from
5 whoever. What was your research, what was your
6 analysis to get to this document?

7 MS. STUART: Let me see if I can help. I think
8 what she's talking about is the basis for the -- the
9 basis for the underlying theory that creates this
10 concept of market -- of market data.

11 MS. VANN: If you'll go back, Steve, I think
12 you're the one that mentioned it in your opening
13 statement, you or Al one mentioned that this document
14 is the result of -- you listed two or three things, but
15 one of them was research and analysis by staff.

16 MR. MOBLEY: I mentioned that.

17 MS. VANN: We would like copies of that, those
18 documents that you researched and analyzed.

19 MR. MOBLEY: You can order -- call IAAO and get a
20 copy of their standard on ratio studies. You can call
21 and buy a copy --

22 MS. VANN: I am on the standards committee, I have
23 that.

24 MR. MOBLEY: You can get a copy of their mass
25 appraisal book which is referenced in here. You can

1 get a copy on line of the Florida statutes, those are
2 available. And the other analysis resulting from --
3 that went into this was printouts that we got --

4 MS. VANN: From?

5 MR. MOBLEY: From the 12 D8 from our computer
6 system.

7 MS. VANN: From our county stuff?

8 MR. MOBLEY: Absolutely.

9 MS. VANN: You never went outside the box to see
10 if this is anywhere else in the country or if other
11 states have tried it, what kind of problems would be
12 from it, you've not -- this is definitely a document
13 that was created by the Department of Revenue based on
14 Florida information, period, is that what you're
15 telling me?

16 MR. MOBLEY: And IAAO information and Florida
17 statutes.

18 MR. KELLER: We have not found another state that
19 has a statute like ours that's doing market areas like
20 we are.

21 MS. VANN: But have you found other states, not
22 that they had a statute like ours, but had tried
23 implementing market areas, and did it work or not work?

24 MR. MOBLEY: The research --

25 MS. VANN: And can we get copies of the states you

1 contacted and the information you got?

2 MR. MOBLEY: They're -- on the Colorado Web site,
3 they've got an assessor's manual on there, it's 18
4 million --

5 MS. VANN: Colorado is a cost state, and I've
6 trained almost all the counties in Colorado. That's
7 not a good example.

8 MR. MOBLEY: Good. So we didn't consider that.
9 That's good, then.

10 MS. VANN: If you used any of that to develop your
11 stuff, I would like to know what you used.

12 MR. MOBLEY: Jan, we looked at it. I'm not going
13 to argue with you.

14 MS. VANN: I don't want to argue.

15 MR. MOBLEY: Yes, we're getting to that point.

16 MS. VANN: You said extensive research and
17 analysis. I'd just like to know --

18 MR. MOBLEY: The literature from the Appraisal
19 Institute, you can go buy those books and articles or
20 whatever that are out there, you know. I generally
21 read the professional literature on an ongoing basis.
22 Every time I look at something on the literature, I
23 don't keep track of what I've read. Anything that we
24 thought was directly pertinent to the development of
25 this document is referenced in this document as a

1 specific source. The analysis that resulted in these
2 numbers came directly from the Department's data that
3 we received from the counties. It's not a mystery.

4 Yes, sir?

5 MR. HODGES: We're satisfied.

6 MR. EDWARDS: I've lost track of my own question.
7 Ben Edwards from Santa Rosa County.

8 Basically, these tables are where you have
9 interpreted the information to come up with an
10 estimated number of market areas based on parcel count?
11 In other words, you're not saying it's going to have to
12 be exactly 10 or 12 or 18, but if it's four and it
13 should be 12, then that's suspicious to you?

14 MR. MOBLEY: Sure. There has to be --

15 MR. EDWARDS: So that's by stratum, right?

16 MR. MOBLEY: There has to be discretion both in
17 the development of it by the property appraisers, and
18 there's also discretion in judgment.

19 MR. EDWARDS: That's not based on the information
20 basically of the number of market areas that were given
21 to you, it's based on parcel counts and sale counts of
22 the overall data?

23 MR. MOBLEY: Right, exactly.

24 MR. EDWARDS: See, that's what I was concerned
25 about, that it was based on the fact that I'm giving

1 you 16 and Escambia County is giving you five. It's
2 not based on that, it's based on parcel counts
3 statewide?

4 MR. MOBLEY: Right. And the relationship between
5 sale counts and parcel counts --

6 MR. EDWARDS: Right. So based on these things
7 that people are giving you, because you've got no clue
8 what they're giving you, or why, you may think you have
9 a clue, but you don't --

10 MR. MOBLEY: Let me put it this way: I have
11 enough clue to know that I don't need to know any more.

12 MR. EDWARDS: That's a good answer, but as long as
13 this is based on -- this is very objective information
14 here, actually. So, I mean, I'm not arguing with it, I
15 just want to know what it means, and I do know now.
16 Thank you.

17 MR. MOBLEY: Just to confirm for everyone, the
18 handout material we had at the beginning that had the
19 three pages of numbers, these are actual number of
20 market areas that are reported on assessment rolls.
21 And this, I believe, was a 2002 final, exactly. And we
22 wanted everybody just to see what was out there right
23 now, and because if you see this -- I mean, obviously
24 this is not an exact science, okay, and there's room
25 for discretion and all that, but we can -- I think

1 reasonable people will have to agree that what is out
2 there right now is not in any way consistent with where
3 we want to be, you know.

4 MR. EDWARDS: It's nonverbal, it's not --

5 MR. MOBLEY: So the distributions back here in the
6 addendum to the draft document of Florida Uniform
7 Market Area Guidelines is an analysis of the existing
8 data that's out there to show here is a reasonable
9 distribution of market areas for Florida counties, and
10 it's a methodology that's just based on numbers; in
11 other words, there's -- you know, I couldn't sit here
12 and tell you the names of these counties, you know,
13 maybe the smallest one and the biggest one or something
14 like that, but this is a reasonable distribution that
15 would give us the ability to measure uniformity on
16 assessment rolls. Measuring mass appraisal using mass
17 analysis techniques, that's what this is about.

18 Al, did you have anything?

19 MR. CAVALIER: No, not at this point. I may be
20 e-mailing you.

21 MR. MOBLEY: Put it in a letter and send it to
22 Sharon Gallops.

23 MS. GALLOPS: Or use the Web site --

24 MR. CAVALIER: The Web site.

25 MS. GALLOPS: -- definitely for your comments,

1 please.

2 MR. MOBLEY: Or you can pick up the phone and
3 holler at me the way half the state does. Does that --
4 is that okay?

5 MR. EDWARDS: Yes.

6 MR. MOBLEY: Is there any other questions? We've
7 still got an hour and -- no, we've got about 45
8 minutes. Jordan, we're at a point where we're out of
9 comments.

10 MS. STUART: I have no more, thank God, at this
11 time.

12 MR. MOBLEY: Well, since we're back in the tables,
13 we'll just continue to browse through those. If anyone
14 has -- if any questions come up, we can use our time.

15 Table 3-A is an analysis of Stratum 2 parcel
16 counts. The data are arrayed in ascending order by
17 parcel count, and we have an indicated distribution of
18 market areas for Stratum 2 properties, and that is in
19 column 5. And as this particular analysis would
20 indicate, most counties don't have enough data that
21 would warrant more than a single market area, and only
22 the largest counties would have enough data to warrant
23 significant numbers of market areas.

24 Table 3-B is also an analysis of Stratum 2
25 properties, and this is based on sales -- estimated

1 sale counts per market area. And this analysis results
2 in the same indication, that most counties don't have
3 enough data to warrant more than a single market area
4 for Stratum 2 property.

5 Now, within a county, there may be other units you
6 develop, you know, codes that you use for valuation
7 purposes, and that's certainly a matter of the property
8 appraiser's discretion, but in terms of sale ratio
9 analysis, there's just not enough data there based on
10 what we're seeing now to warrant more market areas than
11 you see.

12 Table 4-A is an analysis of Stratum 4 properties
13 using sale counts, and most counties have enough data
14 to warrant more than one market area, but it's not a
15 huge number of market areas there, as you can see.

16 Table 4-B is also an analysis of Stratum 4
17 properties based on sale counts per market area. And
18 there you can see we have a similar distribution that
19 was developed similar to the one in Table 4-A.

20 5-A is the same type of analysis, but on Stratum
21 5 properties, and that's based on estimated parcels per
22 market area. And it looks like somewhat over half of
23 the counties wouldn't have enough data to warrant more
24 than one market area there.

25 Table 5-B also provides analysis of Stratum

1 5 property and is based on sale counts per market area.
2 And once again, we can see that most counties don't
3 have enough data to -- or somewhat over 50 percent
4 don't have enough data to warrant more than one market
5 area for Stratum 5 property.

6 And then Table 6-A and 6-B are the same two
7 analyses, and this is for Stratum 6 property. Table
8 6-A is based on estimated parcels per market area, and
9 Table 6-B is based on estimated sales per market area.
10 And as we can see from this analysis, once again, most
11 counties do not have enough data to warrant more than a
12 single market area.

13 The -- what the text of the document says is that
14 these tables shall be given primary consideration.
15 Obviously that's -- any time you say something has to
16 be considered, I mean, there's obviously room for
17 discretion there.

18 And it also talks about some boundary issues that
19 may be considered. If there's obvious physical
20 boundaries such as an expressway, rivers, those --
21 bays, those kind of major things, or another thing,
22 too, that people might look at is changes in property
23 types, you know, or changes in construction quality,
24 changes in the quality of maintenance, those kinds of
25 things can be considered in the development of

1 boundaries.

2 Does anyone have any questions or comments about
3 any of that information? How about the corner back
4 there? That's the braintrust back there, I can tell.

5 MR. HODGES: We're just being very quiet.

6 MR. MOBLEY: Do you think Jan has any more
7 comments she wants to make?

8 MR. EDWARDS: She might. She'll be back in a
9 minute.

10 MR. MOBLEY: Tell you what, let's take a
11 ten-minute break and we'll come back. So we'll take a
12 ten-minute break, thanks.

13 (Brief recess.)

14 MR. MOBLEY: We're now back from break, and there
15 are no additional comments on the initial draft of the
16 Florida Uniform Market Area Guidelines dated June 9,
17 2003.

18 Mr. Keller, do you have any additional comments.

19 MR. KELLER: (Shakes head in the negative.)

20 MR. MOBLEY: There being no additional comment,
21 this now concludes this workshop.

22 (Whereupon, the public workshop was concluded at

23 12:45 p.m.)

24

25

1 C E R T I F I C A T E

2 STATE OF FLORIDA)

3 COUNTY OF LEON)

4 I, MARLO D. FARNSWORTH, Certified Shorthand
5 Reporter at Tallahassee, Florida, do hereby certify as
6 follows:

7 THAT I correctly reported in shorthand the
8 foregoing proceedings at the time and place stated in the
9 caption hereof;

10 THAT I later reduced the shorthand notes to
11 typewriting, or under my supervision, and that the foregoing
12 pages 3 through 118 represent a true, correct, and complete
13 transcript of said proceedings;

14 And I further certify that I am not of kin or
15 counsel to the parties in the case; am not in the regular
16 employ of counsel for any of said parties; nor am I in
17 anywise interested in the result of said case.

18 Dated this 26th day of June, 2003.

19

20

21

22

23

MARLO D. FARNSWORTH

24

Court Reporter and Notary Public

25

State of Florida at Large